

DCIMC

FY 1997 Business Plan

Monthly Management Review

Agenda

FY 97 Business Plan:

DCMD East	1300 - 1345
DCMD West	1345 - 1430
DCMD International	1430 - 1500
(break)	1500 - 1515
Headquarters	1515 - 1600

Management Councils:

DCMD East	1600 - 1610
DCMD West	1610 - 1620
DCMD International	1620 - 1630
Headquarters	1630 - 1645

Action Items	1645 - 1700
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DCMC

Monthly Management Review

DCMDE





Defense Contract Management District East

Monthly Management Review (MMR)

July 15, 1997

COL William A. MacKinlay, USA
Commander



Resource Management

May 97 data

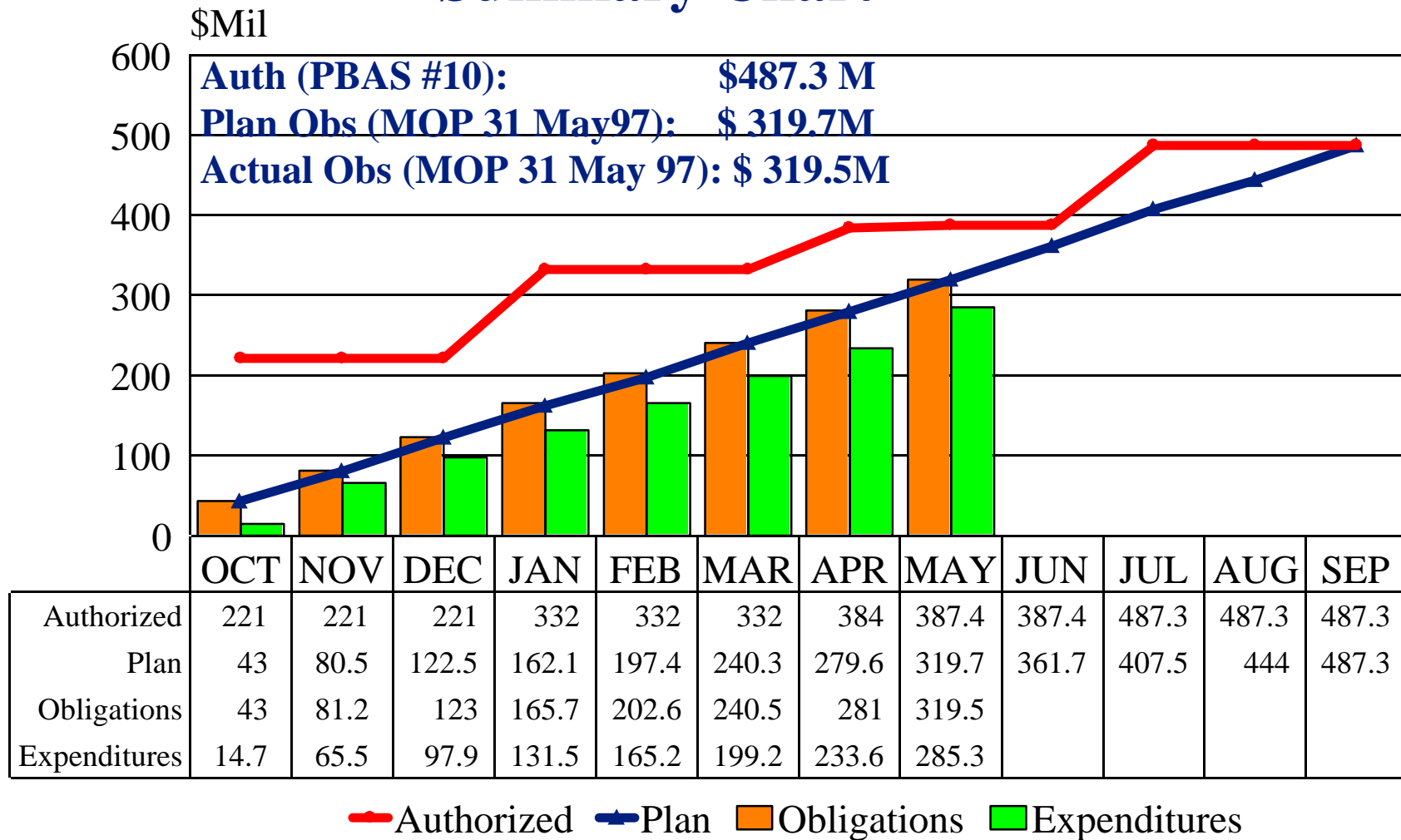
DCMDE

Business Performance Metric	East
• Budget Execution	
• Total Summary	Green
• Direct	Green
• Reimbursable	Red
• Manpower	
• Total (FTE Execution)	Red



FY97 DCMDE Execution a/o 31 May 97

Summary Chart



Obligations/Plan: 99.9%

Budget Execution A/O 31 May 97 Summary Chart

Status: Green  **Obligations/Plan = \$319.5 / 319.7 = 99.9%**

Comments:

- Within quarterly authorization of \$387.4M, obligations under plan by \$.2M



Resource Management

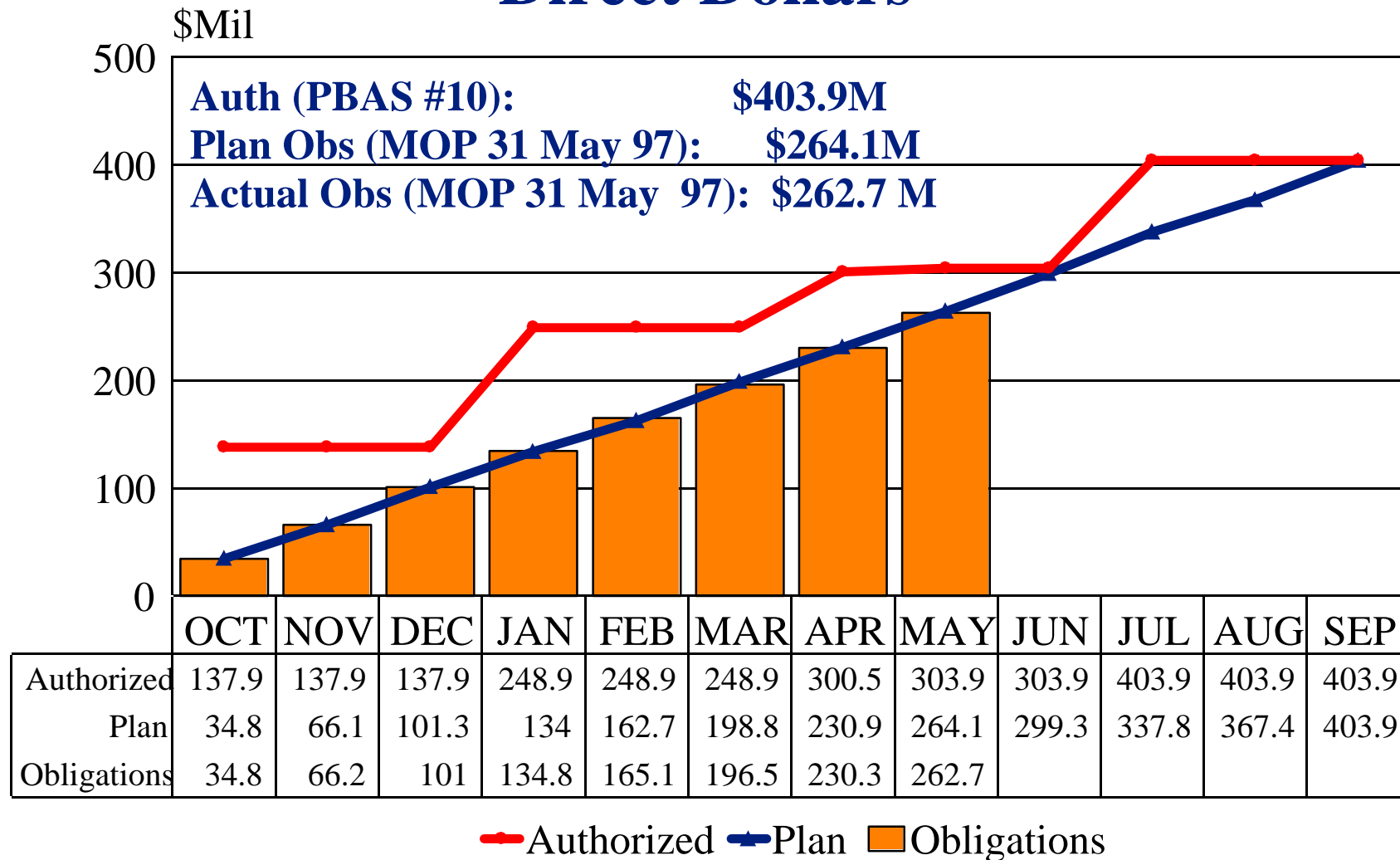
May 97 data

DCMDE

Business Performance Metric	East
• Budget Execution	
• Total Summary	Green
• Direct	Green
• Reimbursable	Red
• Manpower	
• Total (FTE Execution)	Red

Performance Topic

FY97 DCMDE Execution a/o 31 May 97 Direct Dollars



Obligations/Plan: 99.5%

Budget Execution A/O 31 May 97

Direct Chart

Status: Green  **Obligations/Plan = \$262.7 / 264.1M = 99.5%**

Comments:

- Within authorization of \$303.9M, obligations \$1.4M under plan.
- Obligation of 3rd quarter SLUC, Longhaul communications, and Postal bills in June will bring quarterly obligations closer to plan.



Resource Management

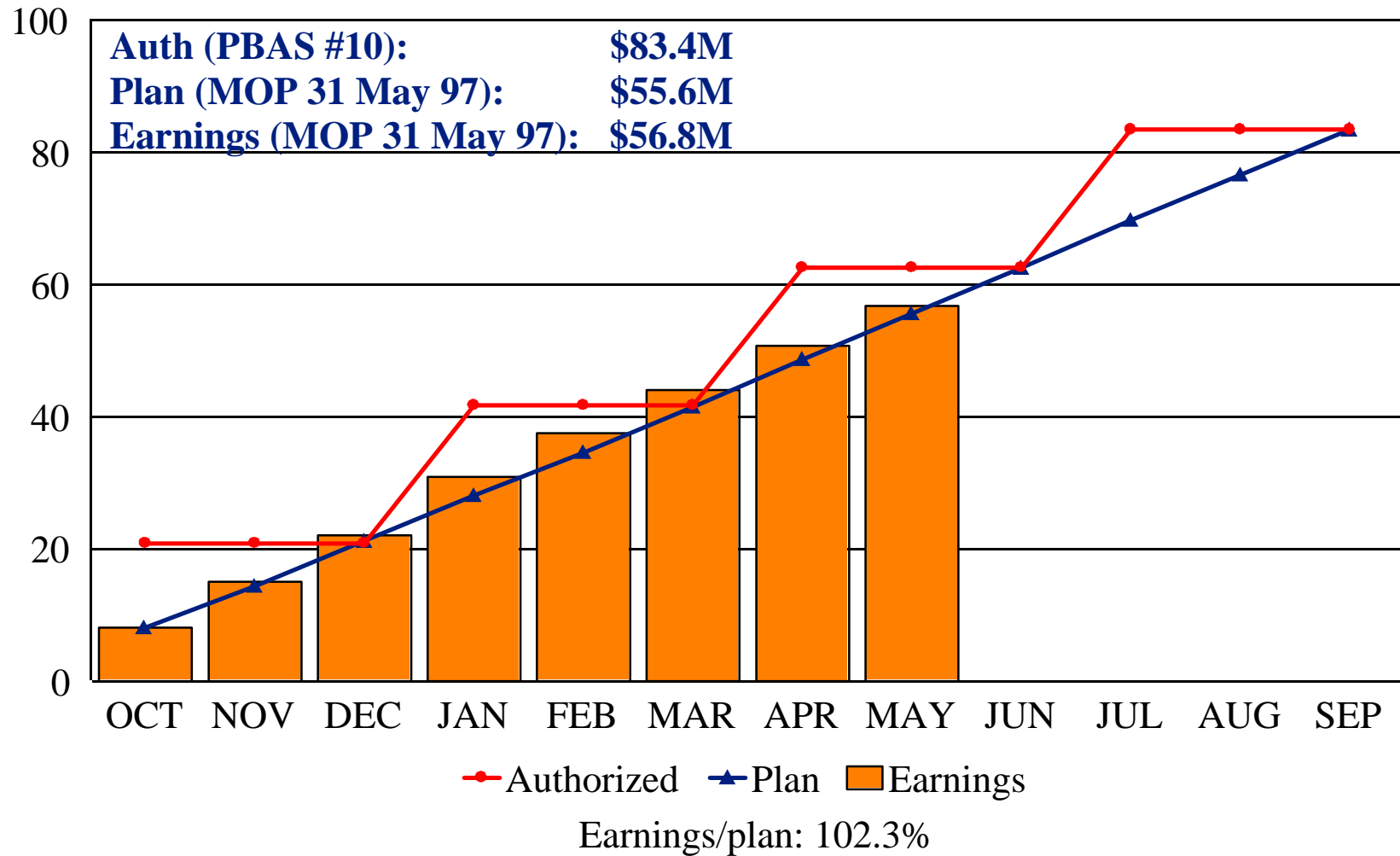
May 97 data

DCMDE

Business Performance Metric	East
• Budget Execution	
• Total Summary	Green
• Direct	Green
• Reimbursable	Red
• Manpower	
• Total (FTE Execution)	Red

Performance Topic

FY97 DCMDE Execution a/o 31 May 97 Reimbursables



Budget Execution A/O 31 May 97

Reimbursables

Status: Red



Earnings / Plan = \$56.8/55.6M = 102.3%

Comments:

- May earnings \$6.17M, FYTD \$56.8M vs Plan \$55.6M
- Recent months Reimbursable earnings have been lower than plan.
 - FYTD earnings at 102.3% still reflect the fact that earnings were higher than plan October through January.
 - Projected adjustments will further reduce earnings by \$1.2M.
 - Letter issued 12 Jun 97 to selected DCMCs to review reimb. operation.
 - Ensure input of all reimbursable hours.
- - FMS earnings are the key component showing decline.
 - FY97 plan will be revised downwards.



Resource Management

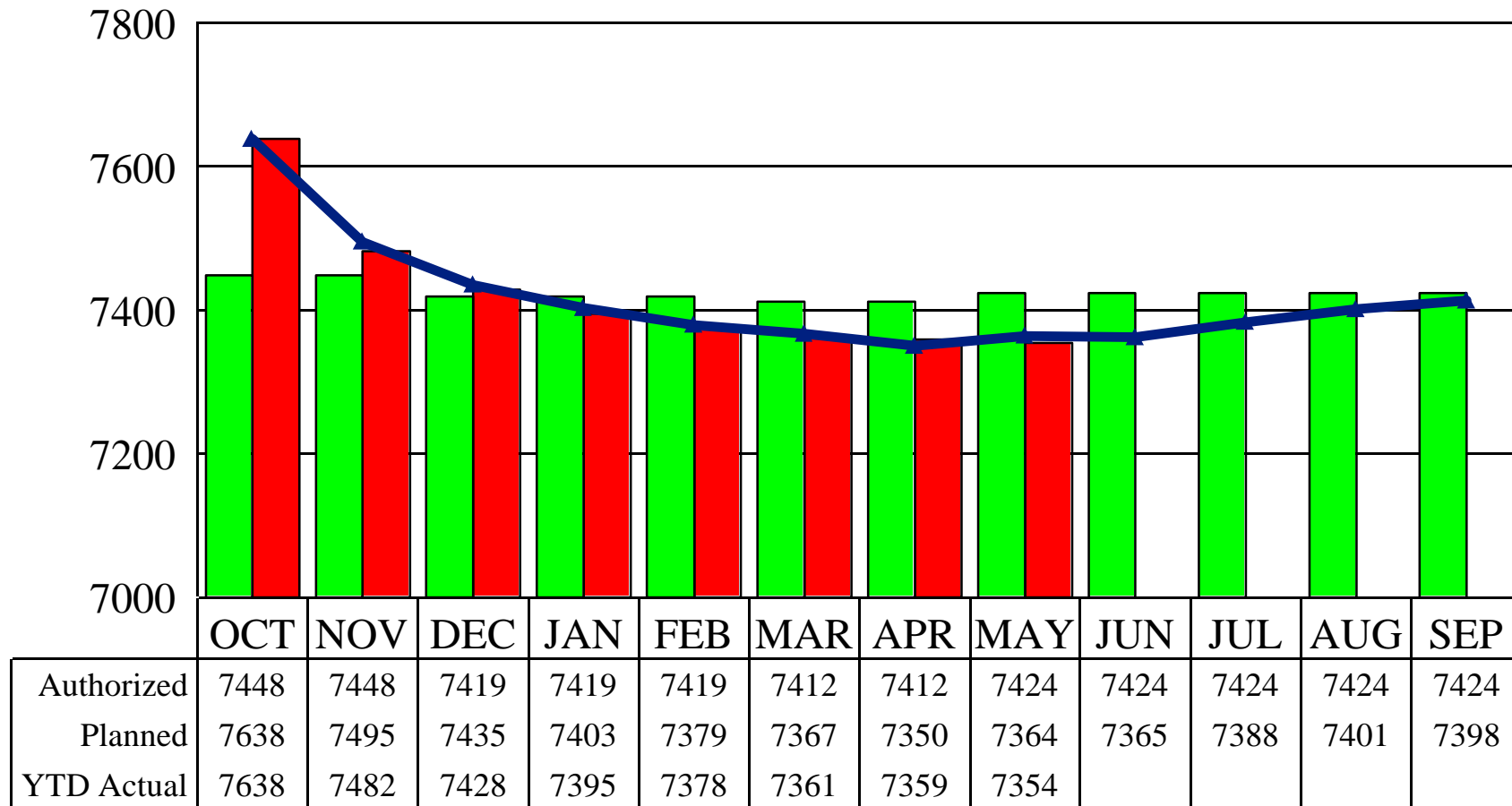
May 97 data

DCMDE

Business Performance Metric	East
• Budget Execution	
• Total Summary	Green
• Direct	Green
• Reimbursable	Red
• Manpower	
• Total (FTE Execution)	Red

Performance Topic

FY97 DCMDE FTE Execution a/o 31 May 97



■ Authorized
 —●— Planned
 ■ YTD Actual

Actual/Plan: 99.9 %

FTEs Execution a/o 31 May 97

Status: Red



FY97 FTEs Goal = 7424

Comments:

- o Actual 7354 vs plan 7364, variance of -10.
- o Current projection indicates we will miss our FY97 goal by 26.
 - oo Summer hires, where value added.
 - oo Unexpected recent losses nearly offset hiring gains.
- o Informal HQ notice of additional FTEs: FTE goal would be 7436
 - oo Software Center +4; Baltimore +8
 - oo Too far into FY97 to effect full FTE impact.
 - oo FY97 goal would be missed by 38..

Performance Metric	DCMD	East
1. Right Item - Conforming Items	Special Topic	
A Design Defects (ECPs & W/Ds) (3.10.1 & 3.10.1.1)	Yellow	
B Packaging Discrepancies (3.4.1)	N/R	
C Adopted Software Recommendations	Yellow	
2. Right Time - On Time Contractor Delivery (3.7.1)	N/R	
A Customer Priority List (CPL) Coverage (3.7.2)	Green	
B Engineering Change Cycle Time (3.10.2.2)	Green	
C Schedule Slippage's on Major Programs (3.12.2.1)	N/R	
D Shipping Document Cycle Time (3.5.2)	N/R	
3. Right Price - Cost Savings & Avoidance's (1.4.1)	N/R	
A ROA On Property From Plant Clearance (4.3.1)	Green	
B Negotiation Cycle Time (2.2.2)	N/R	
C UCA Definitization (2.2.2.1)	Red	
D Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green	
E Open Overhead Negotiations (4.4.1)	Red	
F Cost Overruns on Major Programs (3.12.1.4)	N/R	
G \$ Value of Lost/Damaged/Destroyed Govt Property (3.2.1)	Green	
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	
A Repeat Requests for Early CAS (1.2.3.1)	Green	

RIGHT ITEM
Conforming Items

Usable Lab Tested Items/# Lab Tested X 100

STATUS: ☐ N/R

FY97 Goal: Increase 5% over FY96

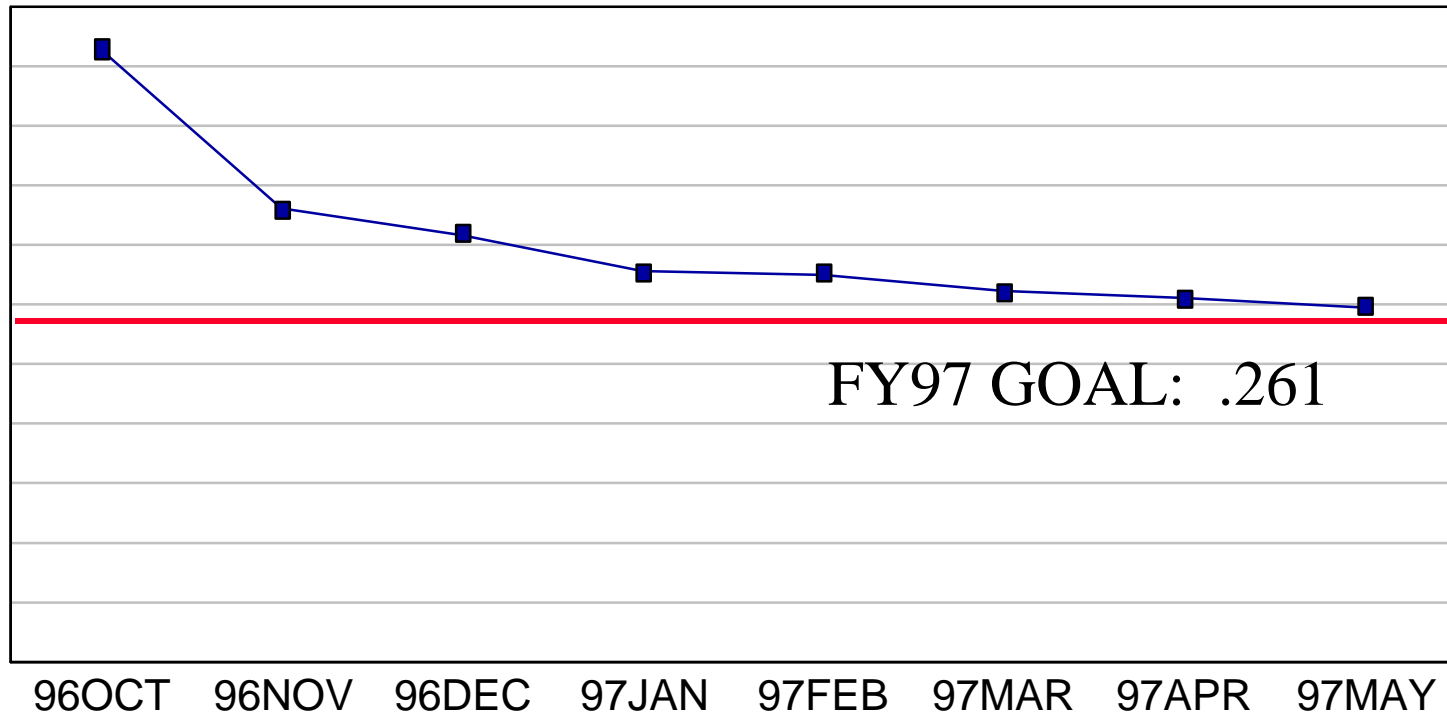
- No current failures to report
- DCMC HQ Process Owner has recommended using a feedback system similiar to trailer cards

Performance Metric	DCMD	East
1. Right Item - Conforming Items		N/R
A Design Defects (ECPs & W/Ds) (3.10.1 & 3.10.1.1)		Yellow
B Packaging Discrepancies (3.4.1)		N/R
C Adopted Software Recommendations		Yellow
2. Right Time - On Time Contractor Delivery (3.7.1)		N/R
A Customer Priority List (CPL) Coverage (3.7.2)		Green
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C Schedule Slippage's on Major Programs (3.12.2.1)		N/R
D Shipping Document Cycle Time (3.5.2)		N/R
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A ROA On Property From Plant Clearance (4.3.1)		Green
B Negotiation Cycle Time (2.2.2)		N/R
C UCA Definitization (2.2.2.1)		Red
D Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)		Green
E Open Overhead Negotiations (4.4.1)		Red
F Cost Overruns on Major Programs (3.12.1.4)		N/R
G \$ Value of Lost/Damaged/Destroyed Govt Property (3.2.1)		Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)		Green
A Repeat Requests for Early CAS (1.2.3.1)		Green

Performance Topic

RIGHT ITEM
DESIGN DEFECTS
DESIGN DEFECTS PER 1000 KTS
CUMULATIVE AVERAGE

MAJOR/CRITICAL RFWs & RFDs PER 1000 KTS



DCMDE

RIGHT ITEM

Design Defects Waivers and Deviations

Major/Critical Waivers & Deviations / Number of Contracts Times 1000

STATUS:



YELLOW

FY 97 GOAL: 0.261 M/C W&Ds / 1K Contracts

Monthly Activity

- FY 97 Actual: 0.274 W&Ds per 1K Contracts
- MAY 1997: 0.253 M/C W&Ds Per 1K Contracts
 - 63 Major/Critical W&Ds Processed During May 1997
 - 6 CAOs Account for 73% (46) of W&Ds

RIGHT ITEM

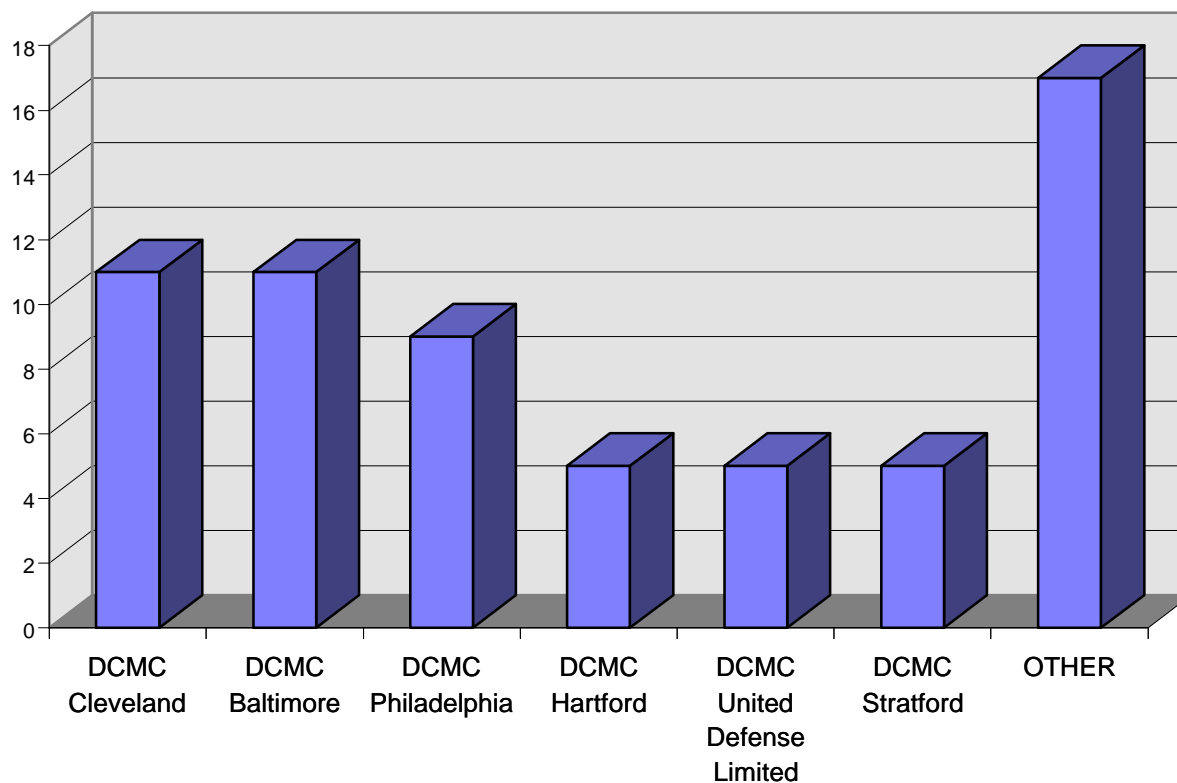
Design Defects Waivers and Deviations

Major/Critical Waivers & Deviations / Number of Contracts Times 1000



FY 97 GOAL: 0.261 M/C W&Ds / 1K Contracts

TOP 6 CAOs M/C W&Ds



DCMDE

RIGHT ITEM

Design Defects Waivers and Deviations

Major/Critical Waivers & Deviations / Number of Contracts Times 1000

STATUS:



YELLOW

FY 97 GOAL: 0.261 M/C W&Ds / 1K Contracts

Yearly Data Review

Technical Data Package Issues - Jan through Dec 1996

- MICOM - 31 W&Ds
 - BAT EMD Seeker Issues
 - Seeker problems expected to be resolved before LRIP build
- ASC - 12 W&Ds
 - No TDP issues identified
- TACOM - 16 W&Ds
 - TDP issues still being investigated

Business Plan Reference 1.2.1.1

Performance Metric	DCMD	East
1. Right Item - Conforming Items	N/R	
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B Packaging Discrepancies (3.4.1)	N/R	
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B Negotiation Cycle Time (2.2.2)	N/R	
C UCA Definitization (2.2.2.1)	Red	
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F Cost Overruns on Major Programs (3.12.1.4)	N/R	
G \$ Value of Lost/Damaged/Destroyed Govt Property (3.2.1)	Green	
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	
A Repeat Requests for Early CAS (1.2.3.1)	Green	


 Performance Topic

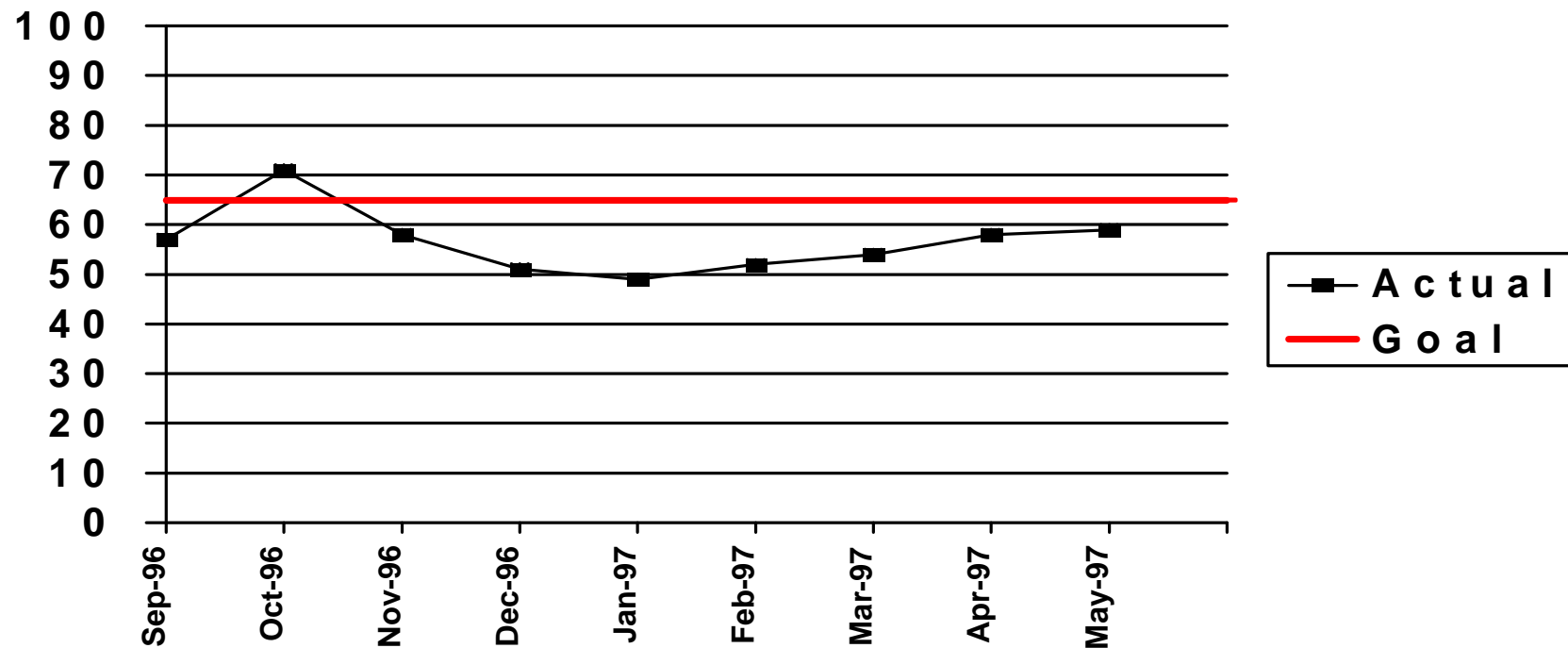
Adopted Software Recommendations

$$\% \text{ Made} = \frac{\# \text{ of Recommendations made prior to Code \& Unit Test}}{\# \text{ of Recommendations made}} * 100$$

$$\% \text{ Adopted} = \frac{\# \text{ of Recommendations adopted prior to Code \& Unit Test}}{\# \text{ of Recommendations made prior to Code \& Unit Test}} * 100$$

STATUS:

Yellow

% Made Goal: ³ 65% of Recommendations made prior to Code & Unit Test**% Adopted Goal: ³ 30% of Recommendations Adopted prior to Code & Unit Test****% Recommendations Made**

DCMDE

Right Item

Adopted Software Recommendations

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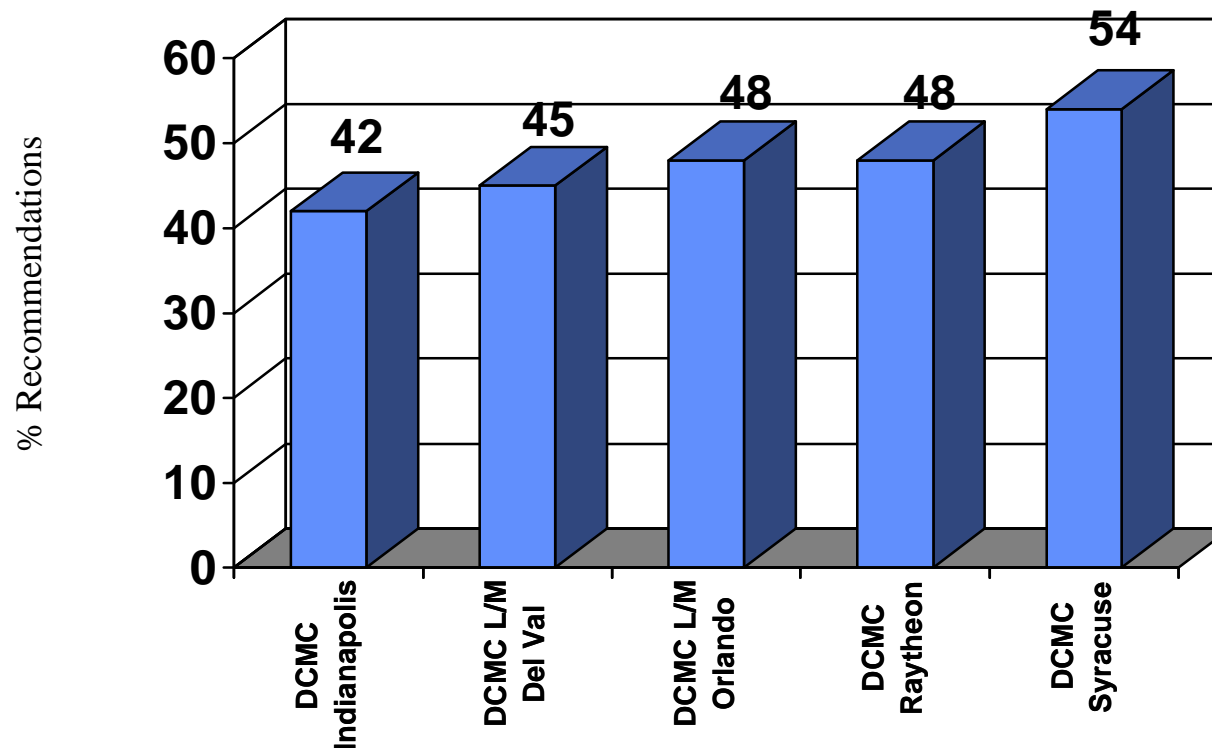
STATUS:



Yellow

% Made Goal: ³ 65% of Recommendations made prior to Code & Unit Test

% Adopted Goal: ³ 30% of Recommendations Adopted prior to Code & Unit Test



DCMDE

Right Item

Adopted Software Recommendations

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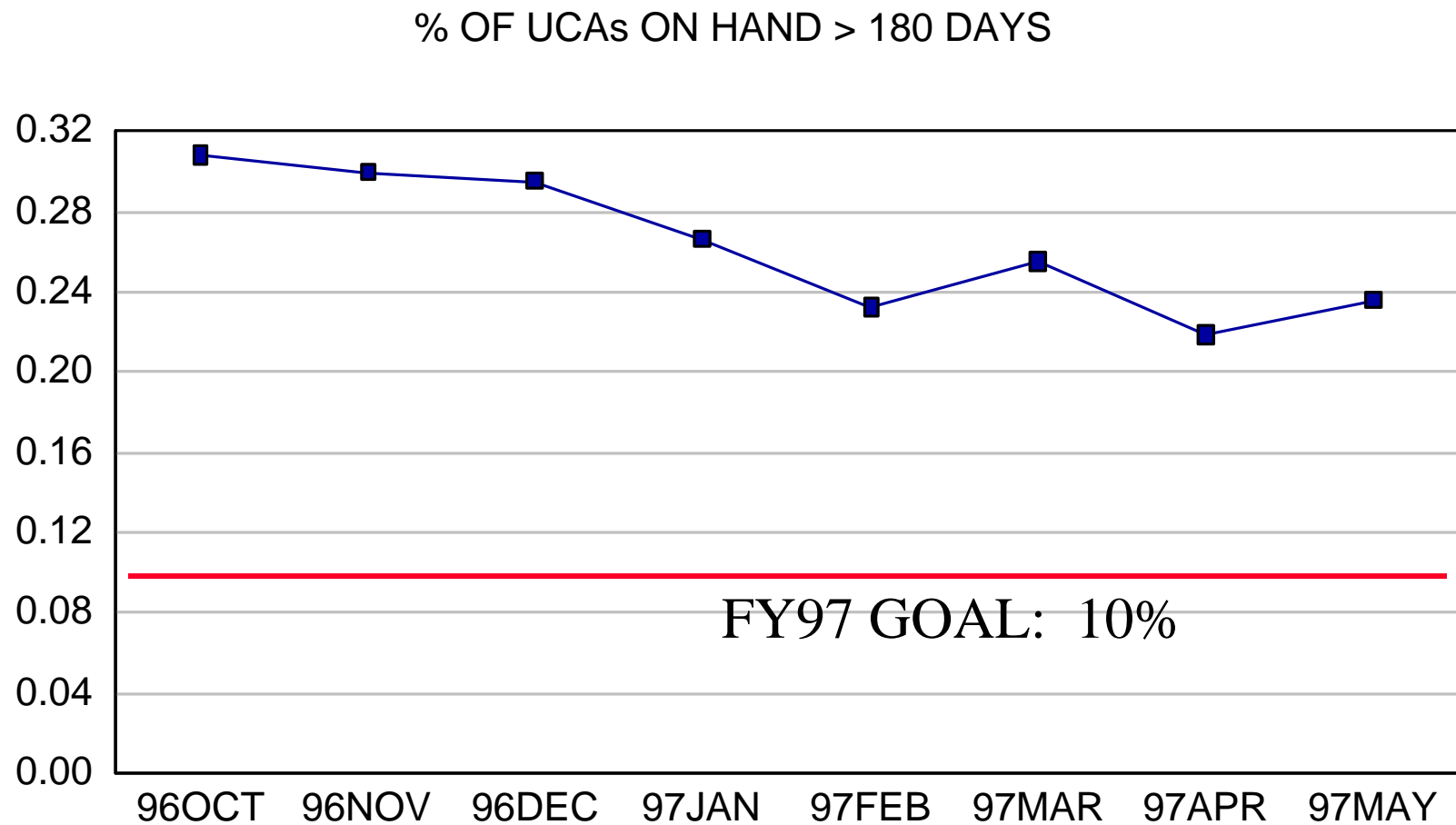
- Worked with AQOF in establishing new MMR measurement
 - 60% Major Comments Accepted
- Completed development of SPECS version 1.02 software and anticipate training to be completed by August 29, 1997

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A Repeat Requests for Early CAS (1.2.3.1)	Green	


 Performance Topic

RIGHT PRICE
UCA DEFINITIZATION
% OF UCAs ON-HAND > 180 DAYS



DCMDE

Right Price
UCA Definitization
(% of UCAs On-Hand > 180 Days)

STATUS:



RED

FY97 Goal: 10%

o May 97 Overage - 23.6% (641/2713). Top ~~Ten~~ ^(Nine) CAOs with 68.6%

o Total Undefined UCA \$'s (000's)

<u>Army</u>	<u>Navy</u>	<u>Air Force</u>	<u>Other</u>	<u>Total</u>
\$46,287	\$741,811	\$227,357	\$13,551	\$1,029,006

o Total Overage Undefined UCA \$'s (000's)

<u>Army</u>	<u>Navy</u>	<u>Air Force</u>	<u>Other</u>	<u>Total</u>
\$55	\$270,843	\$94,506	\$3,890	\$369,294

o Percentage of Overage Dollars: 35.9%

o Top ~~Ten~~ ^(Nine) CAO's: Percentage of Overage Dollars: 73.0%

Business Plan Reference: N/A³¹

DCMDE

Right Price
UCA Definitization
(% of UCAs On-Hand > 180 Days)

STATUS:



RED

FY97 Goal: 10%

District Staff Actions:

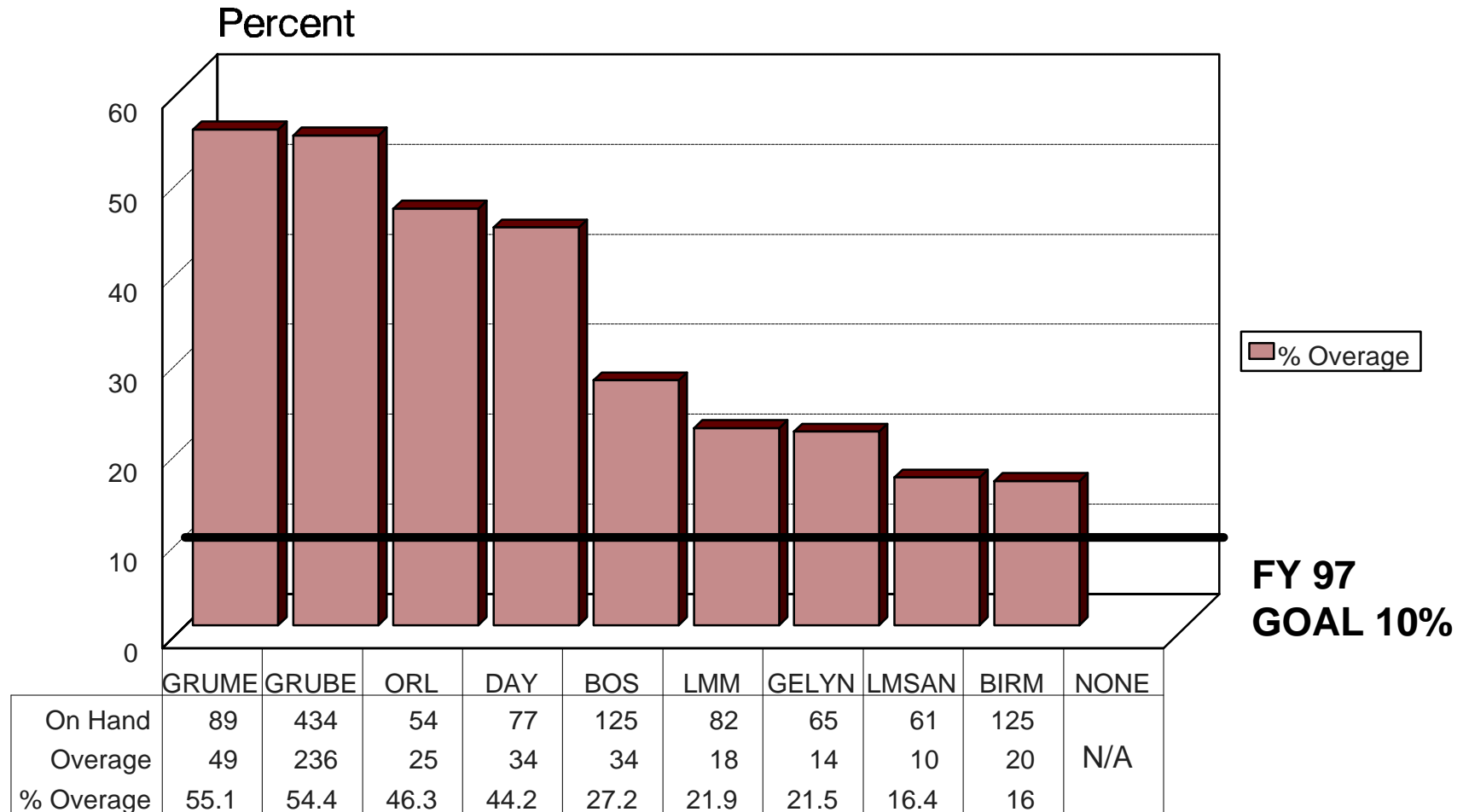
- o District POC has been briefed by DCMC Boston on their program for expediting definitization of change orders on C & T orders and is preparing a package for export to other CAOs.
- o District POC will be reviewing Customer Asset Visibility (CAV) Program DCMC Orlando is using to monitor repairable assets for possible export to other CAOs with O & R workload.

Business Plan Reference: N/A₂

OVERAGE UNDEFINITIZED CONTRACTUAL ACTIONS (UCAs)

DCMDE TOP TEN CAOs (FY97 GOAL: 10%)

NINE



NINE

NOTE: TOTAL TOP TEN 440/OVERAGE DISTRICT 641=68.6%

DCMDE

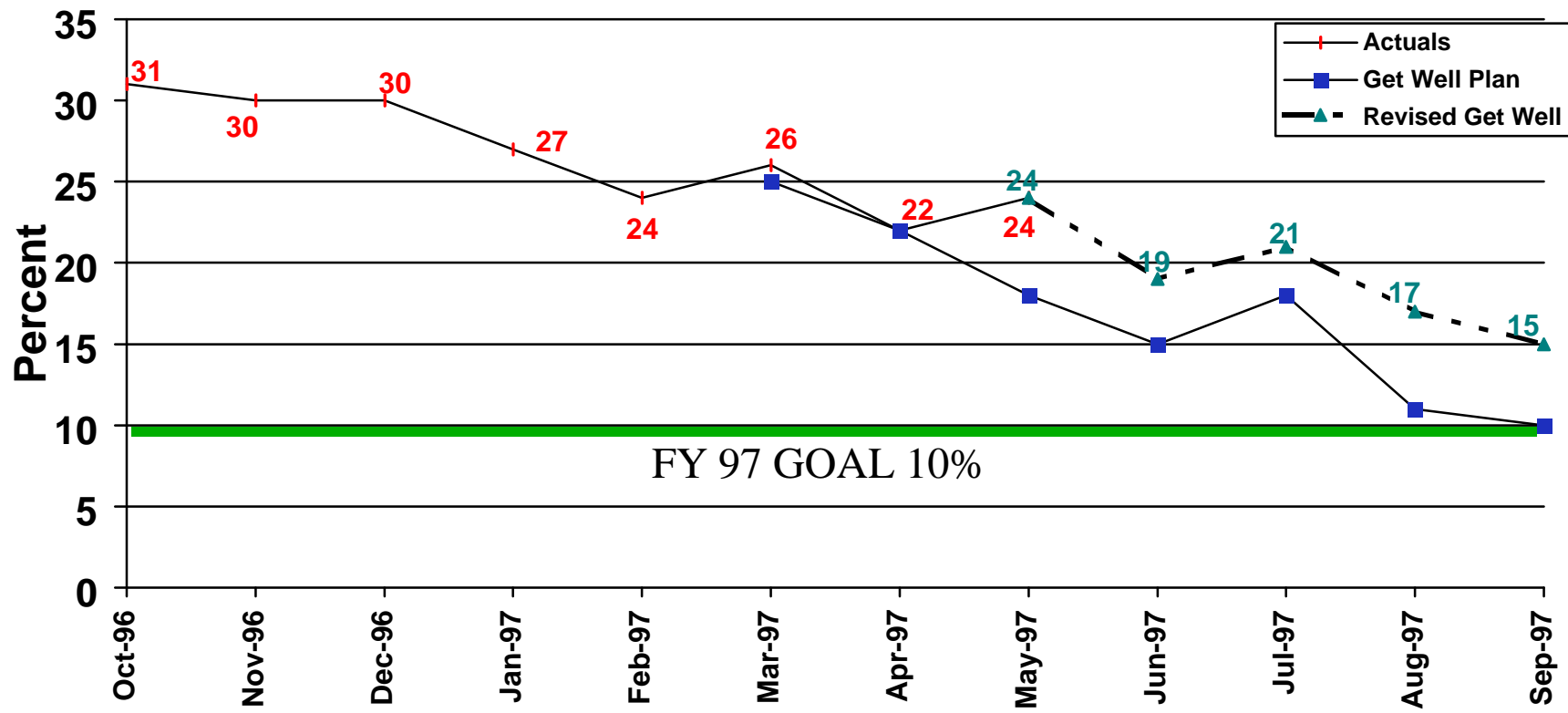
Right Price UCA Definitization UCA GET WELL PLAN

STATUS:



RED

FY97 Goal: 10%



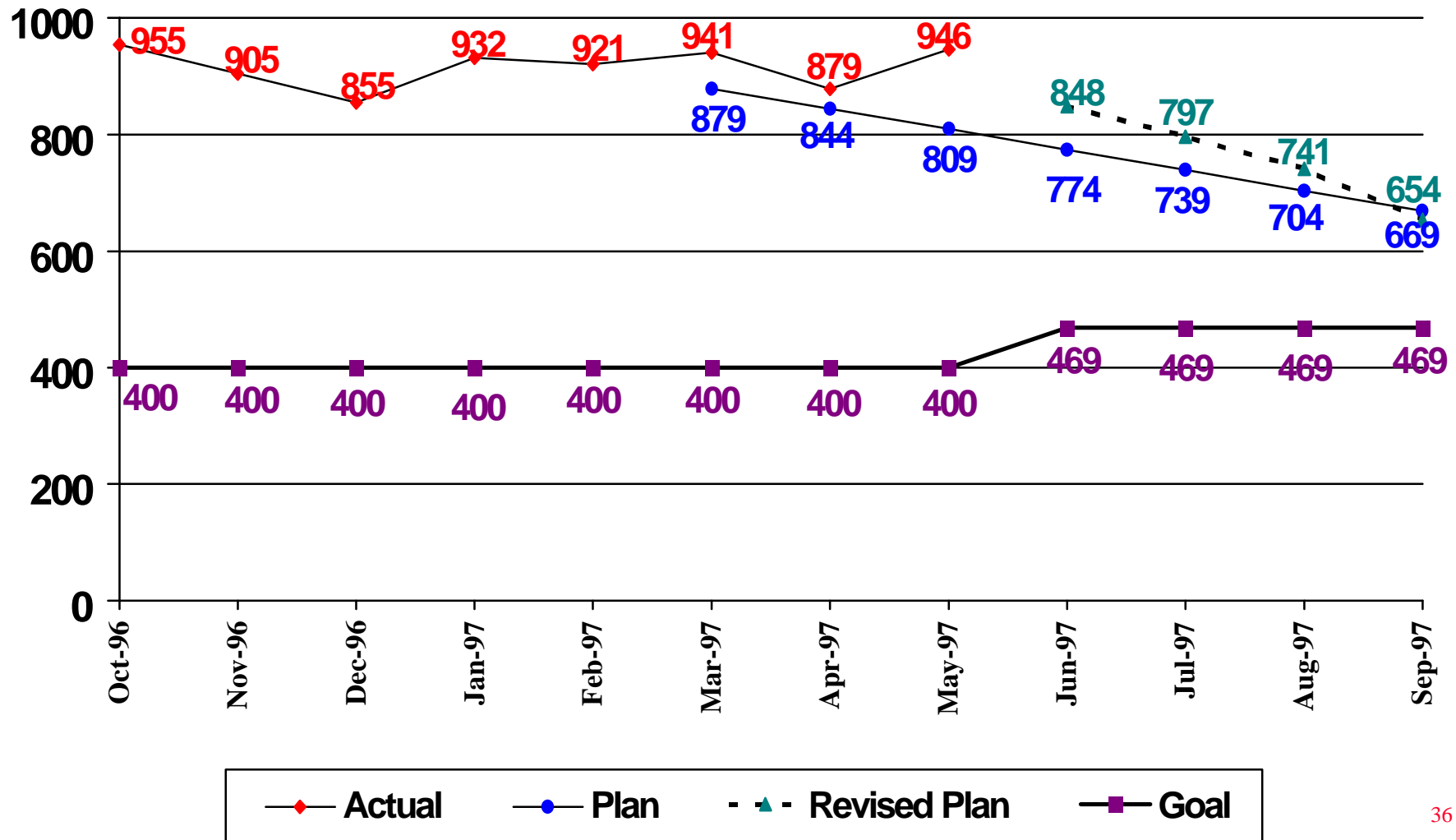
Performance Metric	DCMD	East
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E Open Overhead Negotiations (4.4.1)	Red	
F Cost Overruns on Major Programs (3.12.1.4)	N/R	
G \$ Value of Lost/Damaged/Destroyed Govt Property (3.2.1)	Green	
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	
A Repeat Requests for Early CAS (1.2.3.1)	Green	


 Special Topic

Right Price

Open Overhead Negotiations

OVERHEAD NEGOTIATION BURNDOWN PLAN



Right Price

Open Overhead Negotiations

STATUS:  RED

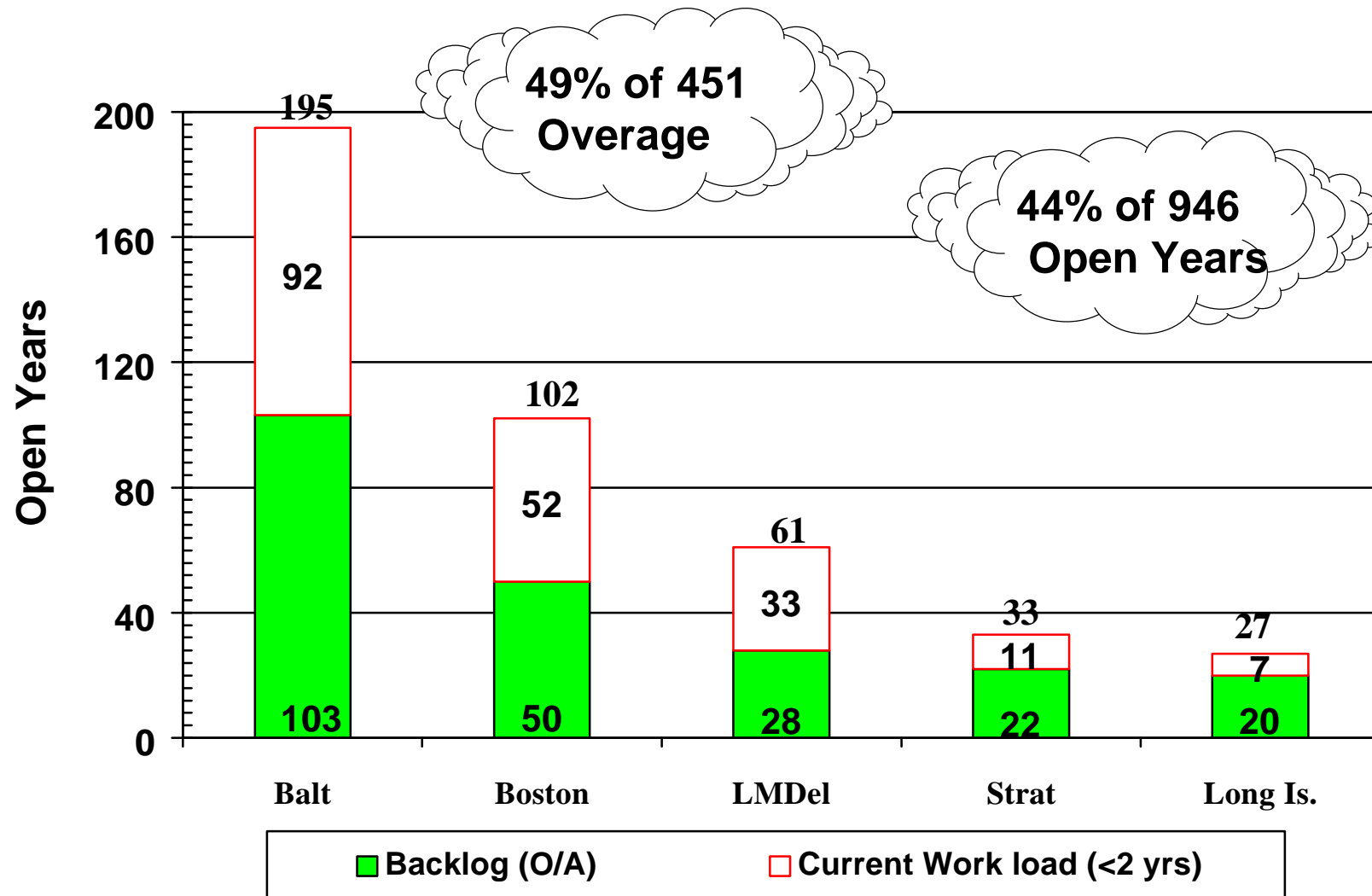
FY97 Goal: Average of 2 yrs per location
(about 800 open years DCMC-wide)

- o May 97 open overhead years - 946
 - oo Open years >2 years old - 451
- o District/OHC Teaming
 - oo CAO Visits
 - oo Internal Strategy Meetings
- o Management Councils - District Energizing at CAOs
- o Letter to the field with reporting requirements, June 17, 1997
 - oo Burndown plan requested from each CAO
 - oo CAP will be required for years >2 years old
- o Expediting Audits with DCAA Regional Directors
- o District POC to recommend changes to AMS data screens
- o In process of establishing an Overhead newsletter for CAOs

Right Price

Open Overhead Negotiations (4.4.1)

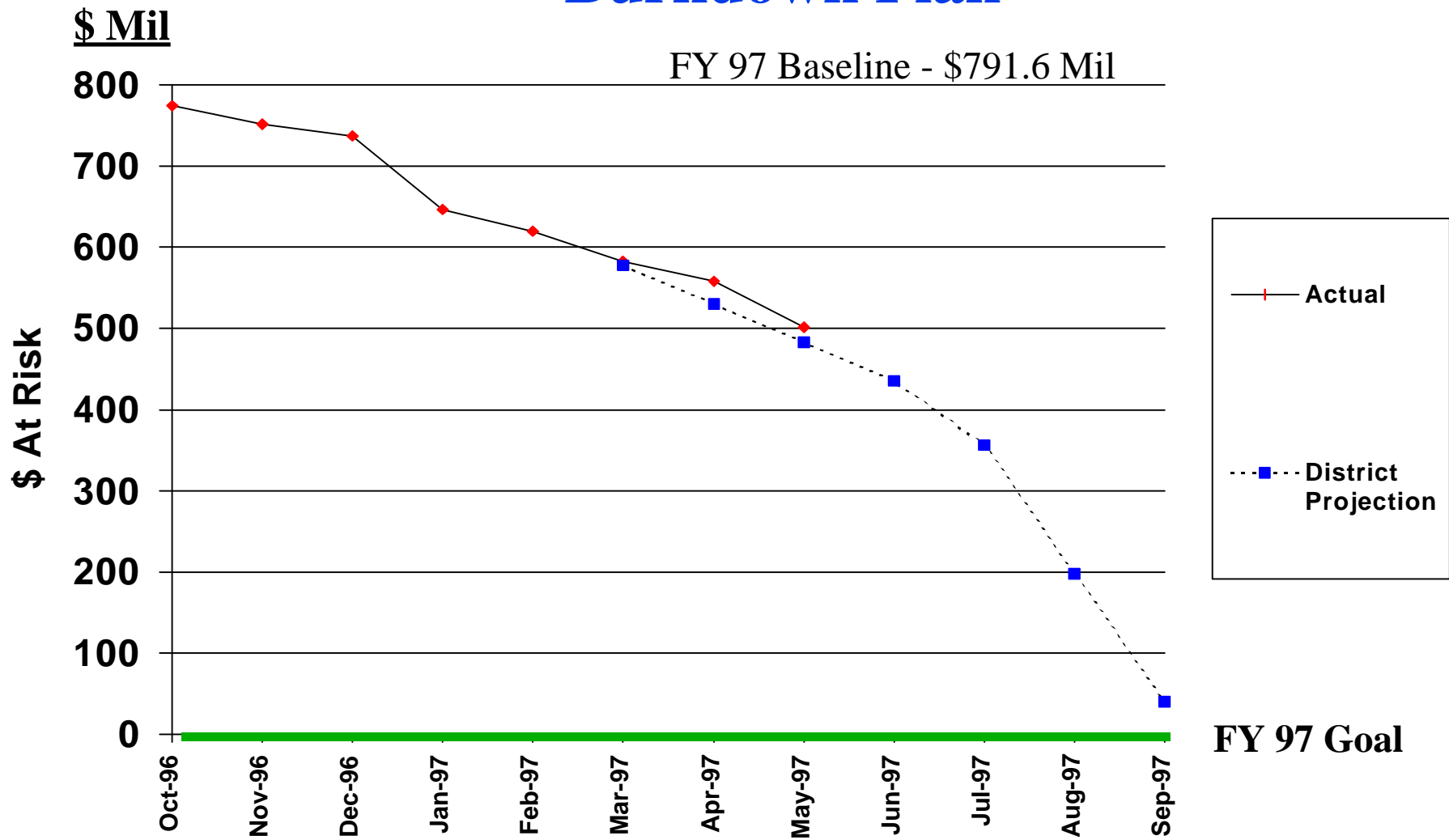
Top 5 Pacing CAOS for “Backlog/Overage”



Performance Metric	DCMD	East
B % Contractors on Contractor Alert List (CAL) (2.1.1.2)	N/R	
C Single Process Initiative (1.2.4)	Green	
D Preaward Survey Timeliness (2.1.2)	Green	
E Amount Of DoD Property(3.2.1.1)	N/R	
F Excess Property (3.2.1.2)	Green	
G Delay Forecast Coverage (3.7.1.1)	N/R	
H Delay Forecast Timeliness (3.7.2.1)	N/R	
I Delay Forecast Accuracy (3.7.1.2)	N/R	
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green	
A Service Standards (1.3.1)	N/R	
B Trailer Cards (3.11.1.2)	Green	
6. Right Efficiency - Contracts per FTE (1.1.8)	N/A	
A Contract Closeout (4.2.2.2)	Green	
B Canceling Funds (TBD)	Red	
C Termination Actions (4.1.2.)	Red	
7.Right Talent - Training Hours (1.8.1.)	Green	
A DAWIA Certification (1.8.1.2)	Green	
B Course Completion (1.8.1.1)	Green	
C Training Quota Usage (1.8.1.3)	Green	


 Performance Topic

FY 97 Canceling Funds Section 1-4 Total Burndown Plan



Right Efficiency Canceling Funds

STATUS:**RED**FY 97 Goal: \$0 Canceling Funds

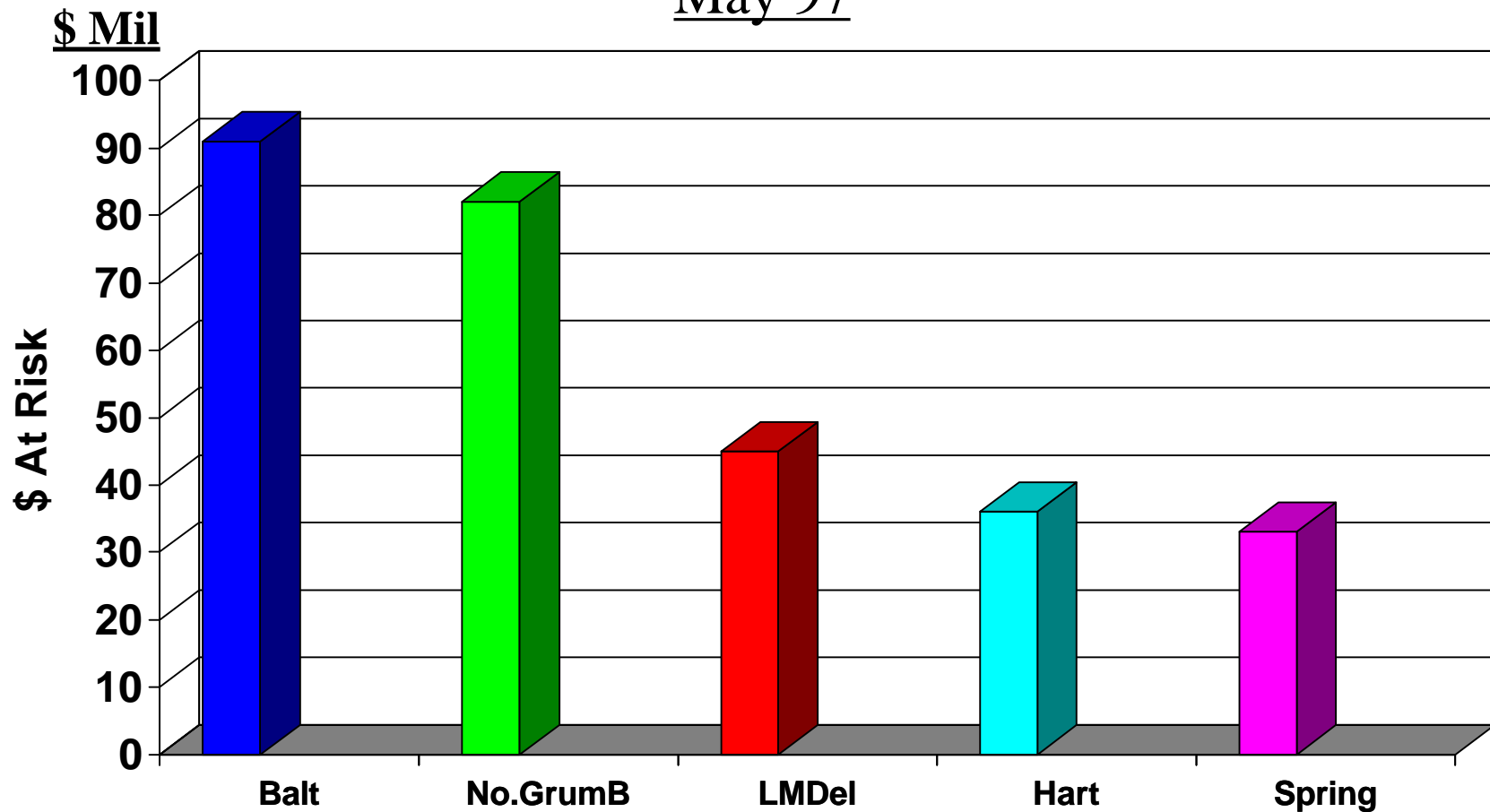
- o Goal of \$0 canceling at FY end requires red status code throughout the year
- o District total ULO, FY 97 baseline: \$791.6M
 - oo District total ULO, as of May 97: \$500.6M
 - oo Decrease/positive trend continues
 - oo Reduced by 36.8% thus far

DCMDE

Contracts With FY 97 Canceling Funds Section 1-4 Total

Top 5 Pacing CAOs

May 97



Right Efficiency Canceling Funds

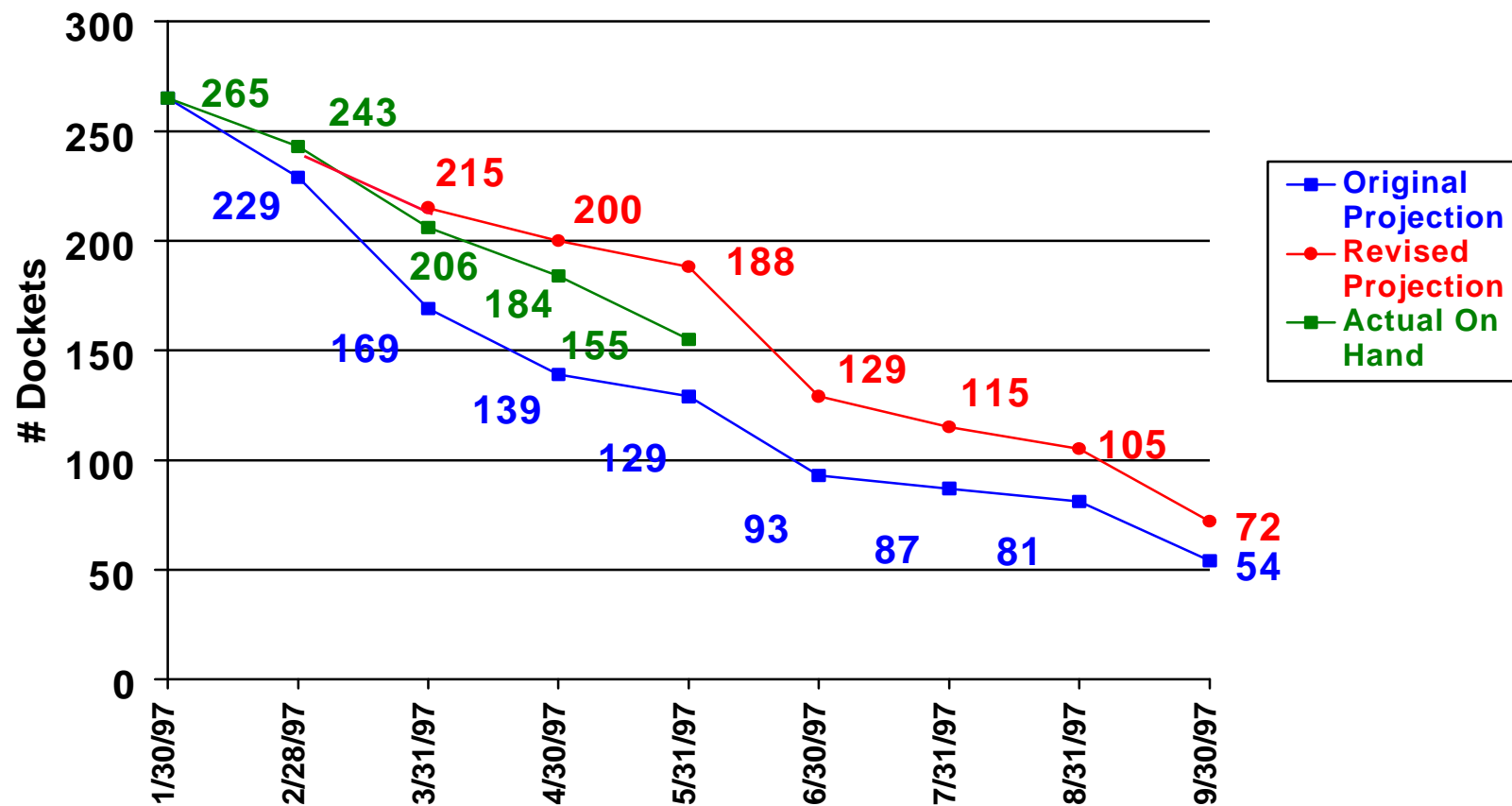
- o Process drivers identified/confirmed by CAO reports
 - oo Delay in contractor invoice/voucher submissions
 - oo Open overhead years
 - oo Disbursement posting errors/erroneous adjustments
 - oo Obligation/deobligation posting errors
 - oo Proration method of progress payment disbursement/liquidation
 - oo Terminations for Convenience, Bankruptcies, & Litigation
 - oo Lack of contract payment instructions
 - oo Lack of PCO awareness, differing objectives between procurement and administration offices
- o Participated in HQ working group with other Districts, 24-26 June
 - oo Follow-up VTC (HQ/Districts/DFAS) held on 01 July
 - oo Effort ongoing to devise method of measuring actual funds at risk

Performance Metric	DCMD	East
B % Contractors on Contractor Alert List (CAL) (2.1.1.2)	N/R	
C Single Process Initiative (1.2.4)	Green	
D Preaward Survey Timeliness (2.1.2)	Green	
E Amount Of DoD Property(3.2.1.1)	N/R	
F Excess Property (3.2.1.2)	Green	
G Delay Forecast Coverage (3.7.1.1)	N/R	
H Delay Forecast Timeliness (3.7.2.1)	N/R	
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A Contract Closeout (4.2.2.2)	Green	
B Canceling Funds (TBD)	Red	
C Termination Actions (4.1.2.)	Red	
7.Right Talent - Training Hours (1.8.1.)	Green	
A DAWIA Certification (1.8.1.2)	Green	
B Course Completion (1.8.1.1)	Green	
C Training Quota Usage (1.8.1.3)	Green	


 Performance Topic

DCMDE



Right Efficiency Termination Actions Burndown Plan



Right Efficiency

Termination Actions

Termination for Convenience Cycle Time

STATUS:		GREEN	FY97 Goal: Cycle Time < 730 Days
		RED	FY97 Goal: Zero Dockets with Termination Date prior to 1/1/95

- o Two Measures
- o Cycle Time Metric - Green
 - oo Applies Only to Dockets with a Termination Date after 1/1/95
 - ooo Goal <730 Days; Achievable Goal
 - ooo May Cycle Time 448 Days
- o Closeout Goal - Red
 - oo Do Not Anticipate Achieving “0” Open Dockets at end of Fiscal Year with Termination Date Prior to 1/1/95

Right Efficiency

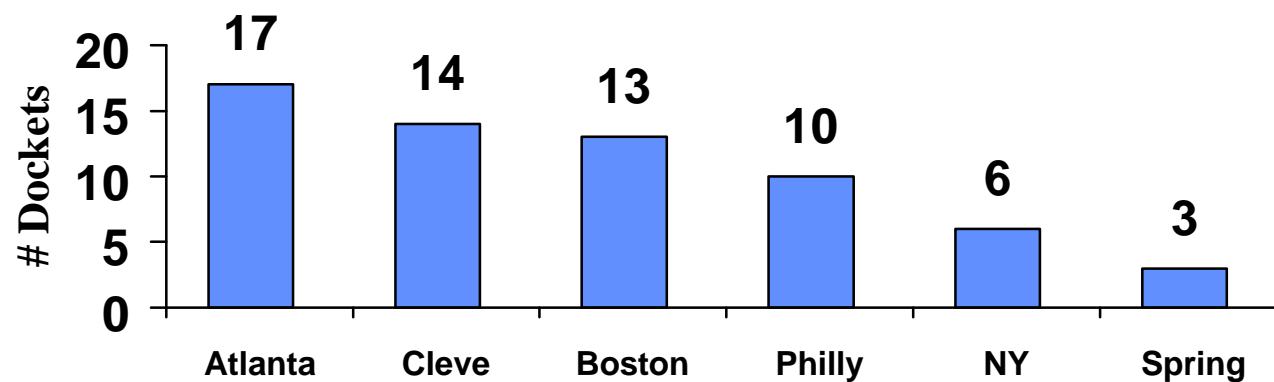
Termination Actions

Termination for Convenience Cycle Time

STATUS:**Red**

FY97 Goal (Sep 30, 1997): Zero Dockets On Hand with Termination Date prior to 1/1/95

- o Do not Anticipate Achieving “0” Open Dockets with Termination Date prior to 1/1/95
 - oo 63 Projected Closing Beyond Sep 97 Goal
 - oo District Counsel and Plant Clearance effort requested to assist where possible
 - oo Letter to Commanders w/TSOs to recognize accomplishments and continue emphasis on settlement



Dockets Projected >9/30/97

Special Topic

Unreconcilable Contracts

DCMDE

UNRECONCILABLE CONTRACTS

STATUS:  RED

FY97 Goal: Close By APR 97

<u>CAO</u>	<u># Contracts</u>	<u>Closed</u>	<u>Balance</u>
DCMC Baltimore	6	5	1
DCMC Detroit	1	1	0
DCMC Indianapolis	4	4	0
DCMC Lockheed Sanders	1	1	0
DCMC LM Del Valley	3	2	1
DCMC Pittsburgh	2	2	0
DCMC Raytheon	2	2	0
DCMC Reading	1	1	0
DCMC Springfield	4	2	2
DCMC Stratford	2	1	1
DCMC Syracuse	<u>1</u>	<u>1</u>	<u>0</u>
	27	22	5
Special Topic			

UNRECONCILABLE CONTRACTS

KEY ISSUES

- DFAS Actions
 - Adjustments / Reversals to ACRNs required on three (3) contracts.
- Replacement Funds Required
- Awaiting concurrence of Buying Activity
 - TACOM to determine if the money to be refunded by the contractor can be recycled or offset.

UNRECONCILABLE CONTRACTS

CORRECTIVE ACTION

- Working with DFAS-CO-JN Project Officer (L. TUTTLE) to expedite actions.
- DFAS following up with Buying Activities on Replacement Funds.



Performance Improvement

May 97 data

DCMDE

1997 Business Plan - Performance Goals		East
• (1.1.1) Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CONTRACTOR INVOLEMENT)		Green
• (1.2.1) Increase the percentage of items (source) that meet or exceed product specifications	Already Discussed	Yellow
• (1.2.2) Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule		N/R
• (1.2.3) Increase overall DCMC ROI by 10% over the FY 96 baseline		Yellow
• (1.3.1) Continually improve all facets of the contract close-out process such that not more than 20 percent of physically completed contracts are overage for closeout		Red
• (2.1.1) Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites		Green
• (2.1.2) Establish, maintain, and improve dynamic surveillance process that senses and satisfies customer needs (DELIVERY DELINQUENCIES)		Green
• (2.1.3) Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century		N/A
• (2.1.4) Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS)		Green
• (2.1.5) Continually improve/enhance organization & processes that deliver quality products/services (INTERNAL PROCESS STANDARDIZATION)		Green



Performance Improvement

May 97 data

DCMDE

1997 Business Plan - Performance Goals		East
• (1.1.1) Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS)		Green
• (1.2.1) Increase the percentage of items (source inspected) conforming to product specifications		Yellow
• (1.2.2) Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule		N/R
• (1.2.3) Increase overall DCMC ROI by 10%	Already Discussed	Yellow
• (1.3.1) Continually improve all facets of the closeout process that not more than 20 percent of physically delivered items are returned for closeout	Already Discussed	Red
• (2.1.1) Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites		Green
• (2.1.2) Establish, maintain, and improve dynamic surveillance process that senses and satisfies customer needs (DELIVERY DELINQUENCIES)		Green
• (2.1.3) Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century		N/A
• (2.1.4) Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS)		Green
• (2.1.5) Continually improve/enhance organization & processes that deliver quality products/services (INTERNAL PROCESS STANDARDIZATION)		Green



Performance Improvement (Con't)


May 97 data

DCMDE

1997 Business Plan - Performance Goals		East
• (2.1.6) Support info technology initiatives by deploying 90% of projects selected in the IRM plan on schedule (INFORMATION TECHNOLOGY INITIATIVES)		Green
• (2.1.7) Develop/deploy small quantity of outcome-oriented performance measures which best portray performance of core processes (METRICS)		Green
• (2.1.8) Package DCMC-wide data for the customer in a comprehensive, timely, and user-friendly manner (PACKAGING DCMC DATA)		Green
• (2.2.1) Use the results of Performance Based Staffing Assessment to better structure and utilize the workforce		Green
• (2.3.1) Improve mission and support processes by conducting management control reviews and annual USA; incorporate areas for improvement into planning process		Green
• (2.3.2) Assess organizational performance through the accomplishment of 30 IOAs during FY 97		Green
• (2.3.3) Benchmark the Distributed Computing Process		Green
• (2.3.4) Explore the use of Alternate Oversight approaches and other methods to enhance operational efficiency at various CAO locations		Green
• (2.3.5) Refine internal assessment (INTERNAL ASSESSMENT)		NA
• (3.1.1) Reduce facilities costs - bring foot w/ DLA standard - move offices from lease	Performance Topic	Red
• (3.1.2) Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide		Green

Performance Goal 3.1.1

Facility Costs

Status:  Red

FY97 Goal: Reduce Facility Costs

Reduce facilities costs by bringing the square footage of office space into compliance with the DLA standard average of 130 square feet per person and by moving offices from leased space into DoD space

- o VTC was held on May 15, 1997 with DLA HQ & DCMDW
- o DLA HQ sent directions as to “what” DCMDE should do to achieve their Goal.
- o There are mitigating circumstances that require some offices to retain more space than needed. This is being evaluated on a case by case basis.
- o At present, DCMDE is working on a plan to reduce facilities costs by bringing sq footage into compliance with DLA Std Avg and by moving offices from leased space into DoD space.

Performance Goal 3.1.1

Facility Costs

Status  RED

FY97 Goal: Reduce Facility Costs

- o As in the past, all Space Requests (SF 81) are submitted to meet DLA Std. Avg of 130 S. F. per person.for lease renewals or relocations. Examples:
 - o DCMC Reading
 - o DCMC Baltimore-Norfolk
 - o DCMC Baltimore
- o We are continuing to look for opportunities to relocate to DoD Space, consolidate, or return excess space.
- o On June 24, 1997 we requested SLFA's to submit a plan to conform with this goal and to evaluate their space utilization to meet these requirements.



Performance Improvement (Con't)

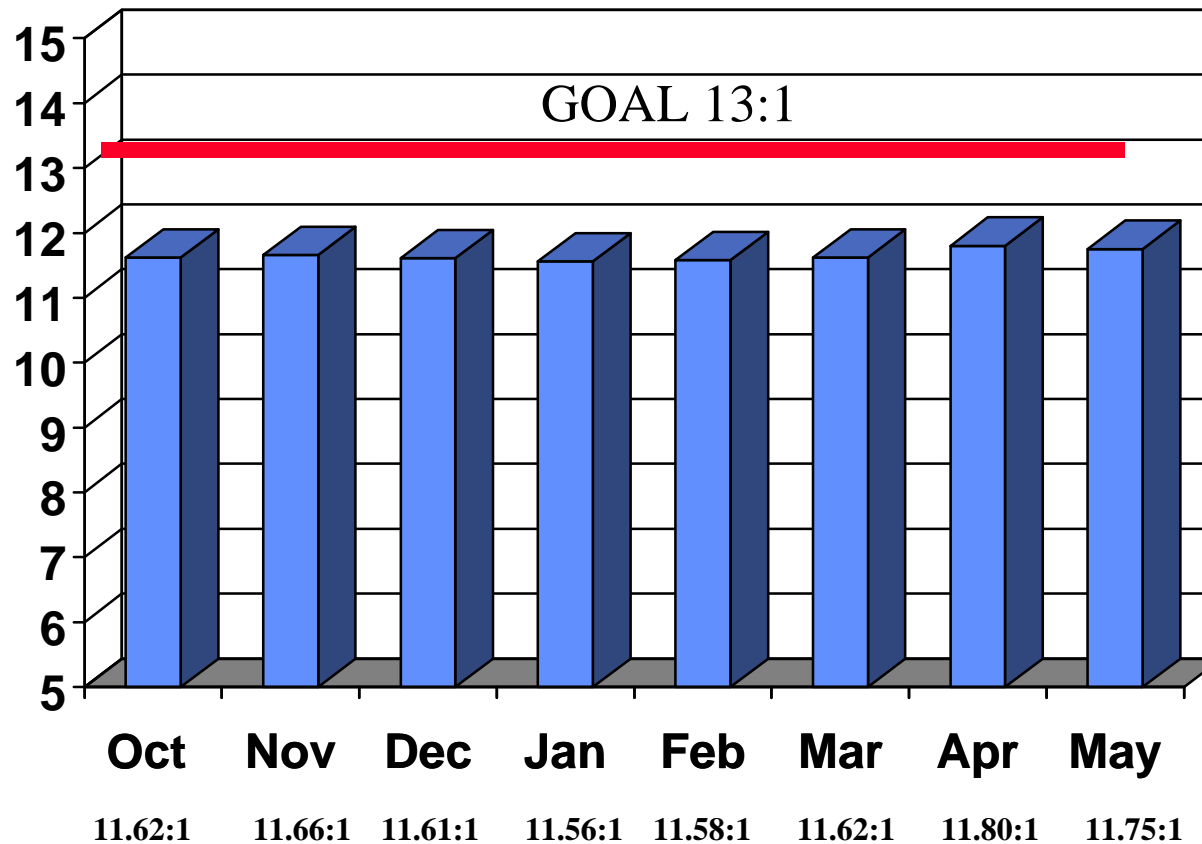
May 97 data

DCMDE

1997 Business Plan - Performance	East
<ul style="list-style-type: none"> • (3.1.3) Increase civilian supervisory ratio to 	Red
<ul style="list-style-type: none"> • (3.1.4) Prepare for DBOF (DBOF CHALLENGE) 	Yellow
<ul style="list-style-type: none"> • (3.2.1) Develop and implement an integrated management system 	Green
<ul style="list-style-type: none"> • (3.3.1) Improve elements of the work environment that enhance employees' well being, satisfaction, and productivity 	Green
<ul style="list-style-type: none"> • (4.1.1) Maintain overall customer satisfaction level greater than 4.0 (1-6 scale) across ACAT PMs/PCOs and Commodity Managers/PCOs 	Green
<ul style="list-style-type: none"> • (4.1.2) Field activities continue to solicit customer satisfaction information via Trailer Cards 	Green
<ul style="list-style-type: none"> • (4.2.1) Implement Risk Management in reimbursable budget process..... 	Green
<ul style="list-style-type: none"> • (5.1.1) Establish, maintain, and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS) 	Green
<ul style="list-style-type: none"> • (5.2.1) Increase the percent of eligible organizations having partnership agreements and/or partnership councils 	Green

Action Item

Supervisory Ratio A/O 31 May 97



DCMDE

Performance Goal 3.1.3 Supervisory Ratio

STATUS:



RED

Goal 13:1

	<u>Non-Sup</u>	<u>Supvs</u>	<u>Ratio</u>
District Average: May 31, 97	6902	580	11.75:1

o **ON-GOING ACTIONS TO IMPROVE RATIO:**

- oo Infrastructure Reductions
- oo TAG Reorganizations
- oo Other Structural Reorganizations
- oo Reclassification of Supervisory Counsels to Non-Supervisory
- oo Letter to Selected CAOs/DCMDE HQ Offices

o **ACTION TO PURSUE:**

- oo Implementation of OPM Work Leader Grade Evaluation Guide

Performance Goal 3.1.3

Supervisory Ratio

STATUS:



RED

Goal 13:1

8 CAO Drivers

1. DCMC GEAE, Lynn, MA
2. DCMC Raytheon
3. DCMC Northrop Grumman, Bethpage
4. DCMC Lockheed Martin Defense Systems, MA
5. DCMC Michoud Stennis
6. DCMC GEAE, Cincinnati, OH
7. Industrial Analysis Support Office
8. DCMDE-HQ

DCMDE

Performance Goal 3.1.3 Supervisory Ratio

STATUS:



RED

Goal 13:1

SUPERVISORY RATIO: ANALYSIS (continued)

- o ON-GOING ACTIONS' IMPACT ON TOTAL SUPVS: 580
 - oo INFRASTRUCTURE REDUCTIONS(NJ, PA) -5 SUPVS
 - oo TAG REORGS APPROVED (6) -4 SUPVS
 - oo OTHER STRUCTURAL REORGS APPROVED (6) -6 SUPVS
 - oo SUPVS COUNSELS TO NON-SUPVS -14 SUPVS
- o SUPV RATIO UPON COMPLETION OF ABOVE ACTIONS:

NON-SUP
6931

SUPVS
551

RATIO
12.58



Performance Improvement (Con't)

May 97 data

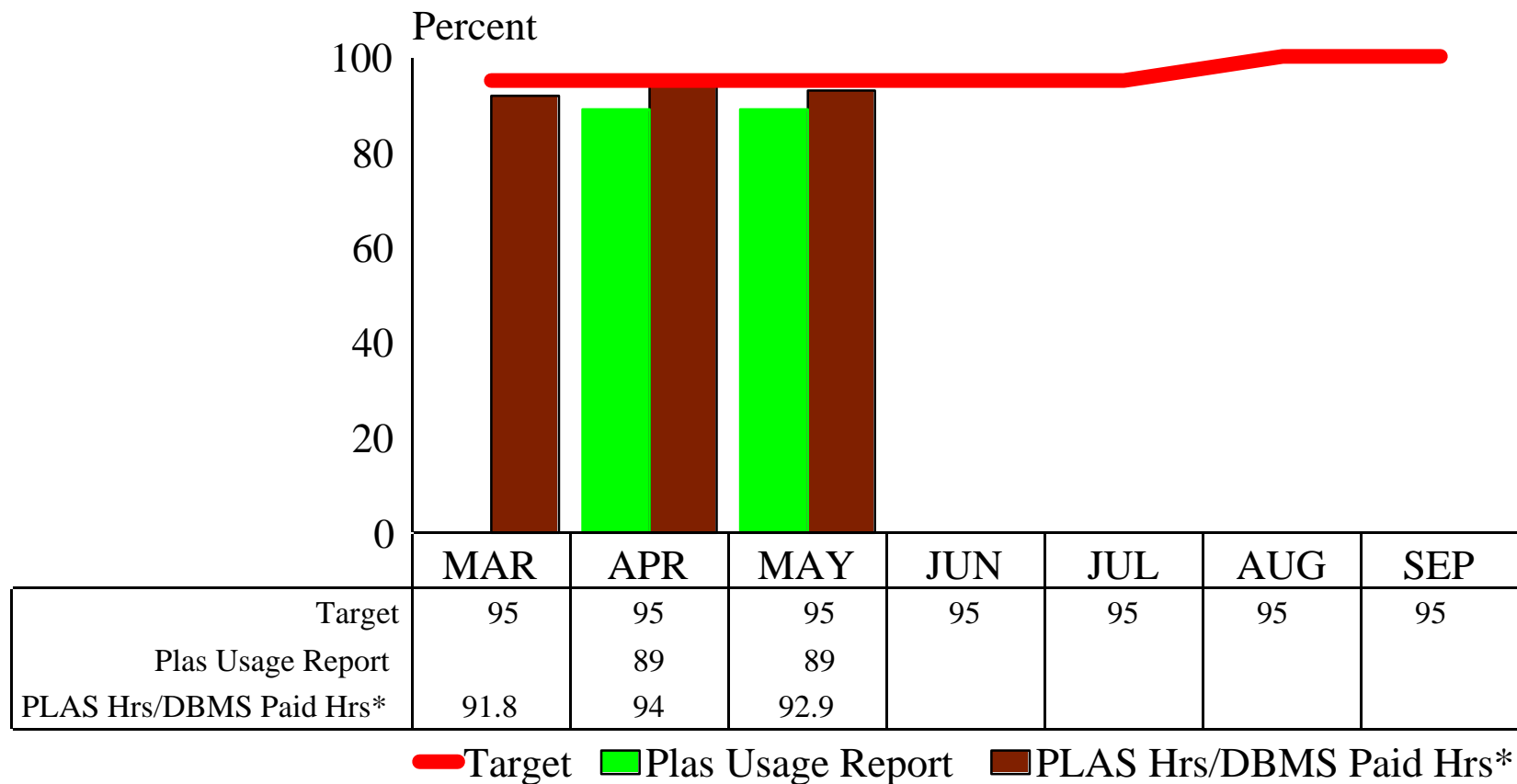
DCMDE

1997 Business Plan - Performance Goals		East
• (3.1.3) Increase civilian supervisory ratio to 70%		Red
• (3.1.4) Prepare for DBOF (DBOF CHALLENGE)	Action Item	Yellow
• (3.2.1) Develop and implement an integrated management system		Green
• (3.3.1) Improve elements of the work environment that enhance employees' well being, satisfaction, and productivity		Green
• (4.1.1) Maintain overall customer satisfaction level greater than 4.0 (1-6 scale) across ACAT PMs/PCOs and Commodity Managers/PCOs		Green
• (4.1.2) Field activities continue to solicit customer satisfaction information via Trailer Cards		Green
• (4.2.1) Implement Risk Management in reimbursable budget process.....		Green
• (5.1.1) Establish, maintain, and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS)		Green
• (5.2.1) Increase the percent of eligible organizations having partnership agreements and/or partnership councils		Green

FY97 DCMDE PLAS FIELD USAGE

a/o 31 May 97

Task 3.1.4.2. Achieve 95%PLAS Usage Rate

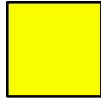


**Data provided by PLAS Management Center.*

Task 3.1.4.2. Achieve 95% PLAS Usage Rate

PLAS Hrs vs. DBMS Paid Hrs a/o 31 May 97

Status: Yellow



Usage Goal: 95% by 31 July 97

Comments:

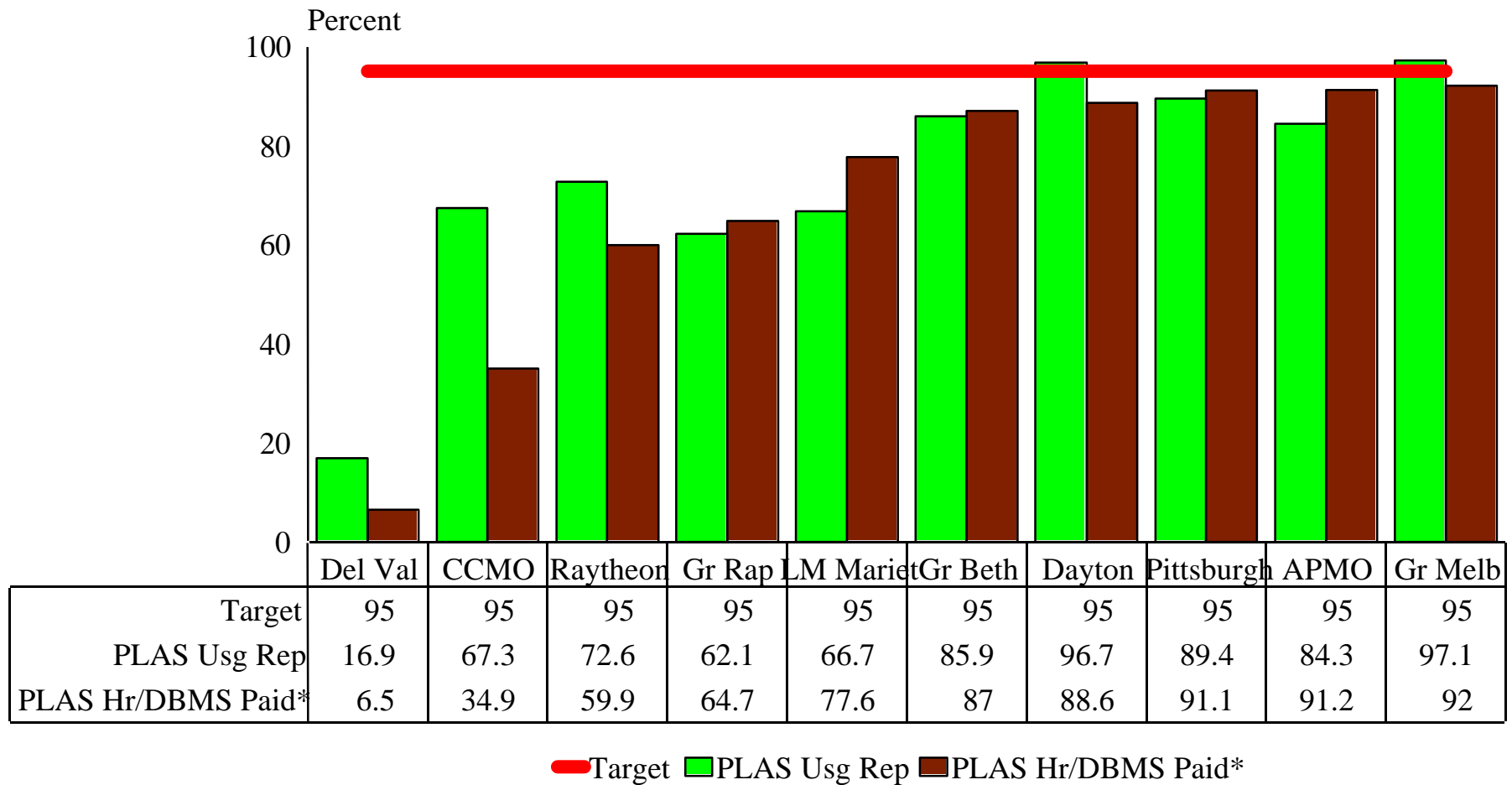
- o PMC data shows overall District usage, May data, at 92.9%.
 - oo Data skewed downwards by Delaware Valley (connectivity problems, lines being installed).

- o 14 field offices under 95%.

FY97 DCMDE PLAS Low Ten Usage

a/o 31 May 97

Task 3.1.4.2. Achieve 95%PLAS Usage Rate

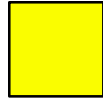


*Data from PLAS Management Center

DCMDE Task 3.1.4.2. Achieve 95% PLAS Usage Rate

DCMDE PLAS Improvement Plan

Status: Yellow



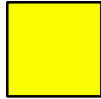
Usage Goal: 95% by 31 July 97

- o 95% usage by 31 July is achievable by:
 - oo Enforcing PLAS reporting requirement -
 - all civilian employees entering all compensated hours
 - military entering 40 hours/week
 - oo Enforcing use of work-around solution whenever connectivity problems exist .
 - faxing time to designated agent to be reported into PLAS
 - oo Resolving connectivity problems as quickly as possible to minimize inefficiencies incurred by slow connections and fax-in work-around solution.

DCMDE Task 3.1.4.2. Achieve 95% PLAS Usage Rate

DCMDE PLAS Improvement Plan

Status: Yellow



Usage Goal: 95% by 31 July 97

- DCMDE memo to all field Commanders/District Directors reaffirming imperative to enforce PLAS requirement, individual entry or fax alternative 5/19
- DCMDE-D memo to 10 lowest offices, PLAS Hrs vs DBMS Hrs, Mar data 5/19
- DCMDE-D memos to 5 lowest offices, PLAS Hrs vs DBMS Hrs, Apr data 6/16
- AQBD (Brunk) memo No. 97-008 forwarded electronically to field. 6/19
 - oo Emphasis on charging direct codes as often as possible.
 - oo DCMDE-D cover memo stressing immediate compliance
- DCMDE-D memos/DCMDE-M phone calls to 5 lowest offices, May data 7/3
- -M Director phone calls to all offices remaining under 95% 7/3 - 7/18

Good News

Good News

DCMC New York - Terminations Dockets for Northrop Grumman

As a result of a May 97 Management Council meeting with Northrop Grumman Top Mgmt personnel, the # of overage dockets at the end of June 97 has decreased from 29 to 14 and will continue to decrease by at least three per month through Sept 97. An estimate of anticipated settlement claims has allowed DCMC NY TCOs to deobligate in excess of \$1M of additional NAVICP funds.

DCMC

Monthly Management Review

DCMDW



DCMC Monthly Management Review

Chris Ott/DCMDW

July 15, 1997





Mission Performance

Performance Metric	West
1. Right Item - Conforming Items (3.7.1.3)	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green
• Packaging Discrepancies (3.4.1)	NR
• Adopted Software Recommendations (3.10.1.6)	Yellow
2. Right Time - On Time Contractor Delivery (3.7.1)	NR
• Customer Priority List (CPL) Coverage (3.7.2)	Green
• Engineering Change Cycle Time (3.10.2.2)	Green
• Schedule Slippage's on Major Programs (3.12.2.1)	NR
• Shipping Document Cycle Time (3.5.2)	NR
3. Right Price - Cost Savings and Avoidances (1.4.1)	NR
• ROA on Property from Plant Clearance (4.3.1)	Green
• Negotiation Cycle Time (2.2.2)	NR
• UCA Definitization (2.2.2.1)	Yellow
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green
• Open Overhead Negotiations (4.4.1)	Red
• Cost Overruns on Major Programs (3.12.1.4)	NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green



Mission Performance (Con't)

Performance Metric	West
• % Contractors on Contractor Alert List (CAL) (2.1.1.2)	NR
• Single Process Implementation (1.2.4)	Green
• Preaward Survey Timeliness (2.1.2)	Green
• Amount of DoD Property (3.2.1.1)	NR
• Excess Property (3.2.1.2)	Green
• Delay Forecast Coverage (3.7.1.1)	NR
• Delay Forecast Timeliness (3.7.2.1)	NR
• Delay Forecast Accuracy (3.7.1.2)	NR
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green
• Service Standards (1.3.1)	Green
• Trailer Cards (3.11.1.2)	Green
6. Right Efficiency - New efficiency metric under development	NR
• Contract Closeout (4.2.2.2)	Green
• Canceling Funds (TBD) (Unreconciled Contracts)	Red
• Termination Actions (4.1.2)	Red
7. Right Talent - Training Hours (1.8.1)	Green
• DAWIA Certification (1.8.1.2)	Green
• Course Completion (1.8.1.1)	Green
• Training Quota Usage (1.8.1.3)	Green



Performance Improvement

1997 Business Plan - Performance Goals	West
• (1.1.1) Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS)	Green
• (1.2.1) Increase the percentage of items (source inspected) conforming to product specifications	NR
• (1.2.2) Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule	NR
• (1.2.3) Increase overall DCMC ROI by 10% over the FY 96 baseline	NR
• (1.3.1) Continually improve all facets of the contract close-out process such that not more than 20 percent of physically completed contracts are overage for closeout	Green
• (2.1.1) Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites	NR
• (2.1.2) Establish, maintain, and improve dynamic surveillance process that senses and satisfies customer needs (DELIVERY DELINQUENCIES)	NR
• (2.1.3) Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century	Green
• (2.1.4) Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS)	Green
• (2.1.5) Continually improve/enhance organization & processes that deliver quality products/services (INTERNAL PROCESS STANDARDIZATION)	NR



Performance Improvement (Con't)

1997 Business Plan - Performance Goals		West
• (2.1.6) Support info technology initiatives by deploying 90% of projects selected in the IRM plan on schedule (INFORMATION TECHNOLOGY INITIATIVES)		NR
• (2.1.7) Develop/deploy small quantity of outcome-oriented performance measures which best portray performance of core processes (METRICS)		NR
• (2.1.8) Package DCMC-wide data for the customer in a comprehensive, timely, and user-friendly manner (PACKAGING DCMC DATA)		NR
• (2.2.1) Use the results of Performance Based Assessment to better structure and utilize the workforce		NR
• (2.3.1) Improve mission and support processes by conducting Management Control Reviews (MCRs) and annual USAs; incorporate areas for improvement into planning process		Green
• (2.3.2) Assess organizational performance through the accomplishment of 30 IOAs during FY 97		Green
• (2.3.3) Benchmark the Distributed Computing Process		NR
• (2.3.4) Explore the use of Alternate Oversight approaches and other methods to enhance operational efficiency at various CAO locations		Green
• (2.3.5) Refine assessment processes (REFINE ASSESSMENT PROCESSES)		NA
• (3.1.1) Reduce facilities costs - bring footage ² of office space into compliance w/ DLA standard - move offices from leased space into DoD space		Red
• (3.1.2) Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide		Green



Performance Improvement (Con't)

1997 Business Plan - Performance Goals	West
• (3.1.3) Increase civilian supervisory ratio to 13:1	Green
• (3.1.4) Implement Unit Cost Management (UNIT COST MANAGEMENT)	Yellow
• (3.2.1) Develop and implement an integrated management system	NR
• (3.3.1) Improve elements of the work environment that enhance employees' well being, satisfaction, and productivity	Green
• (4.1.1) Maintain overall customer satisfaction level greater than 4.0 (1-6 scale) across ACAT PMs/PCOs and Commodity Managers/PCOs	Green
• (4.1.2) Field activities continue to solicit customer satisfaction information via Trailer Cards	Green
• (4.2.1) Implement risk management in the reimbursable budget process and improve forecasting, reporting, and billing procedures and processes	Green
• (5.1.1) Establish, maintain, and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS)	Green
• (5.2.1) Improve labor management relations within DCMC	Green



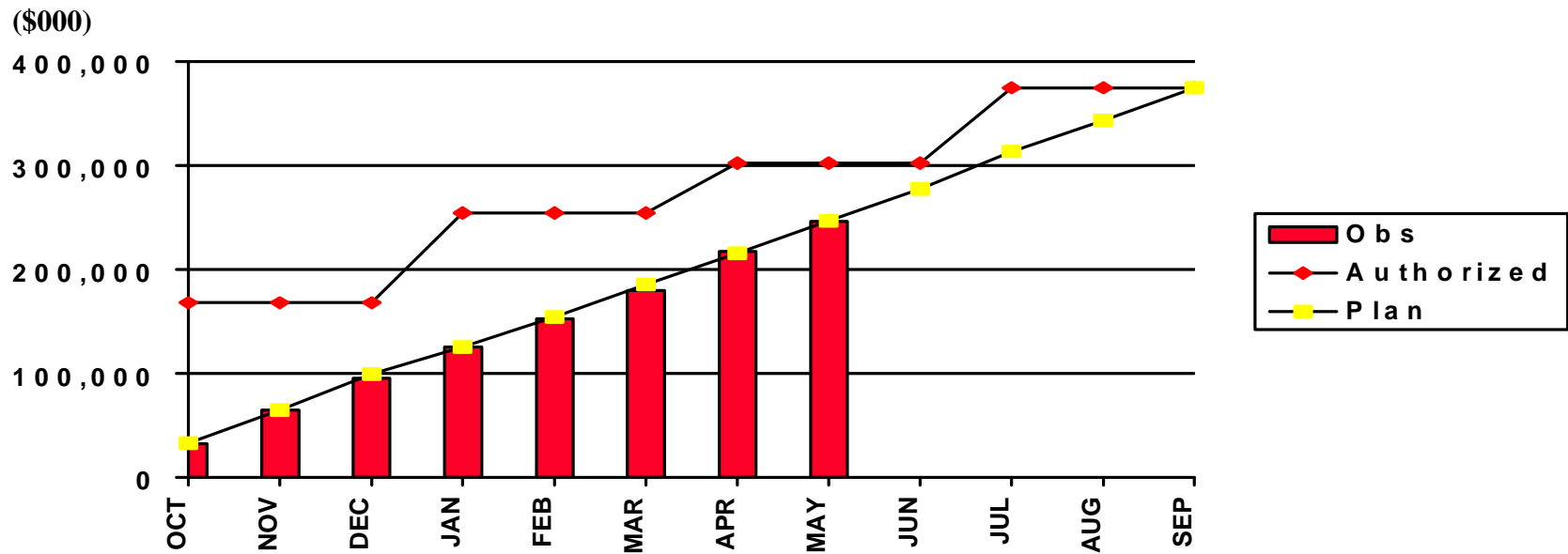
Resource Management

Business Performance Metric	West
• Budget Execution	
• Total	Green
• Direct	Yellow
• Reimbursable	Green
• FTE Execution	
• Total	Green

FY97 Total Execution

STATUS: Green

FY97 Goal: 100%




	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Authorized	167,881	167,881	167,881	254,616	254,616	254,616	302,571	302,571	302,571	374,997	374,997	374,997
Plan	33,020	64,873	99,517	125,308	154,172	185,755	215,773	246,713	277,670	313,693	343,565	374,997
Obs	32,393	64,962	95,467	125,308	152,851	179,896	217,228	246,240				

Obligations/Current Month Plan: 99.8%



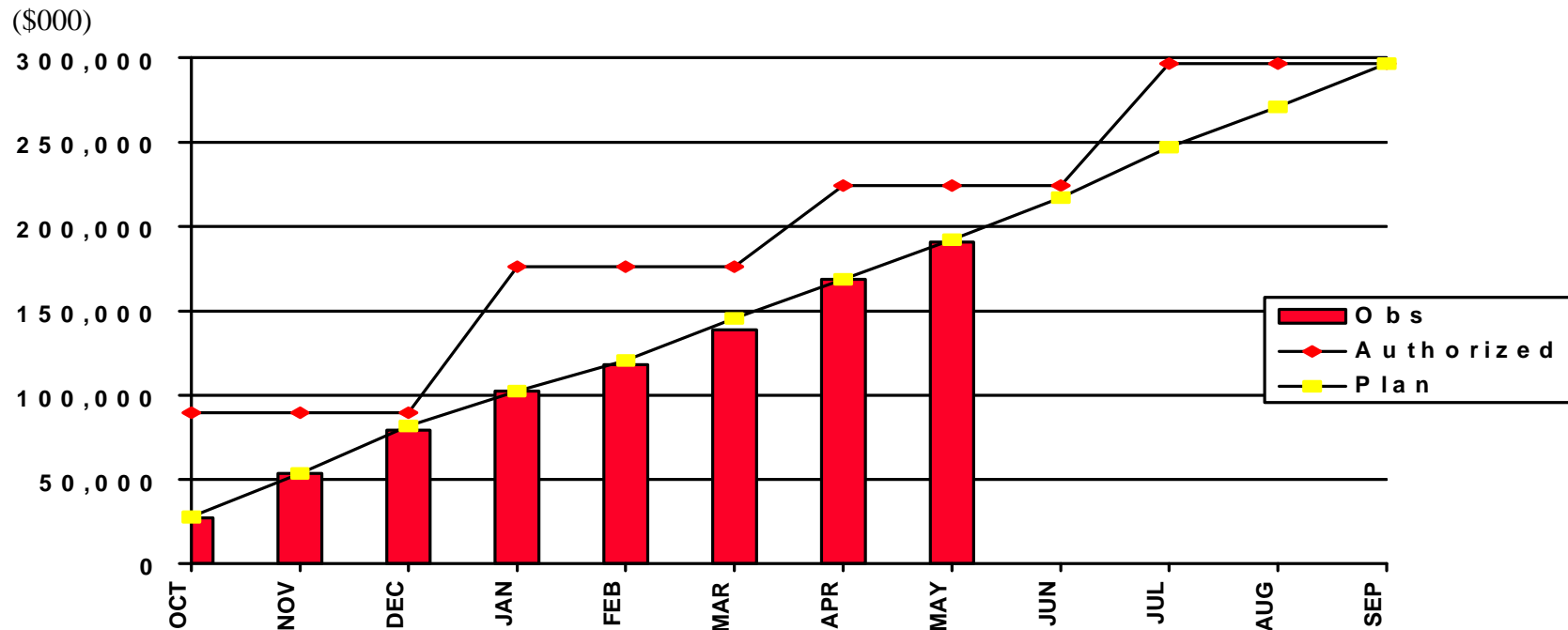
Resource Management

Business Performance Metric		West
● Budget Execution		
● Total		Green
● Direct		Yellow
● Reimbursable		Green
● FTE Execution		
● Total		Green

FY97 Direct Execution

STATUS: Yellow

FY97 Goal: 100%



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Authorized	89,599	89,599	89,599	176,334	176,334	176,334	224,289	224,289	224,289	296,715	296,715	296,715
Plan	27,673	53,571	81,649	102,303	120,427	145,519	168,553	192,284	217,033	247,007	270,881	296,715
Obs	27,046	53,577	79,057	102,303	118,142	138,656	168,762	190,861				

Obligations/Current Month Plan: 99.3%



FY97 Direct Budget Execution

STATUS: Yellow

FY97 Goal: 100%

- **Obligs vs Plan through May = \$190,861K/\$192,284K = 99.3%**
- **Criteria: Greater than .5% variance from plan = yellow rating**
- **Variance is due to overearnings in Reimbursements, which is considered a positive (green) condition.**

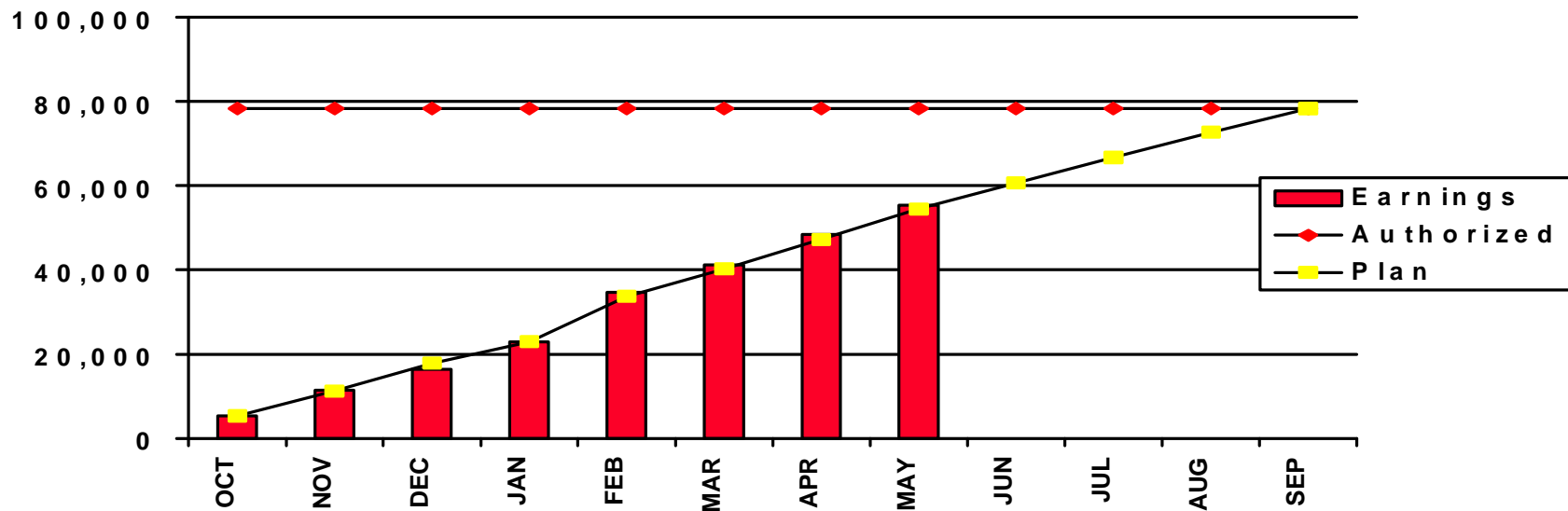
	<u>Plan</u>	<u>Actual</u>	<u>Performance</u>
Tot Exec:	\$246,713K	\$246,240K	99.8% (Green)
<i>less</i> Reimb Exec:	<u>\$54,429K</u>	<u>\$55,379K</u>	101.7% (Green)
= Direct Exec:	\$192,284K	\$190,861K	99.3% (Yellow)

FY97 Reimbursable Execution

STATUS: Green

FY97 Goal: 100%

(\$000)



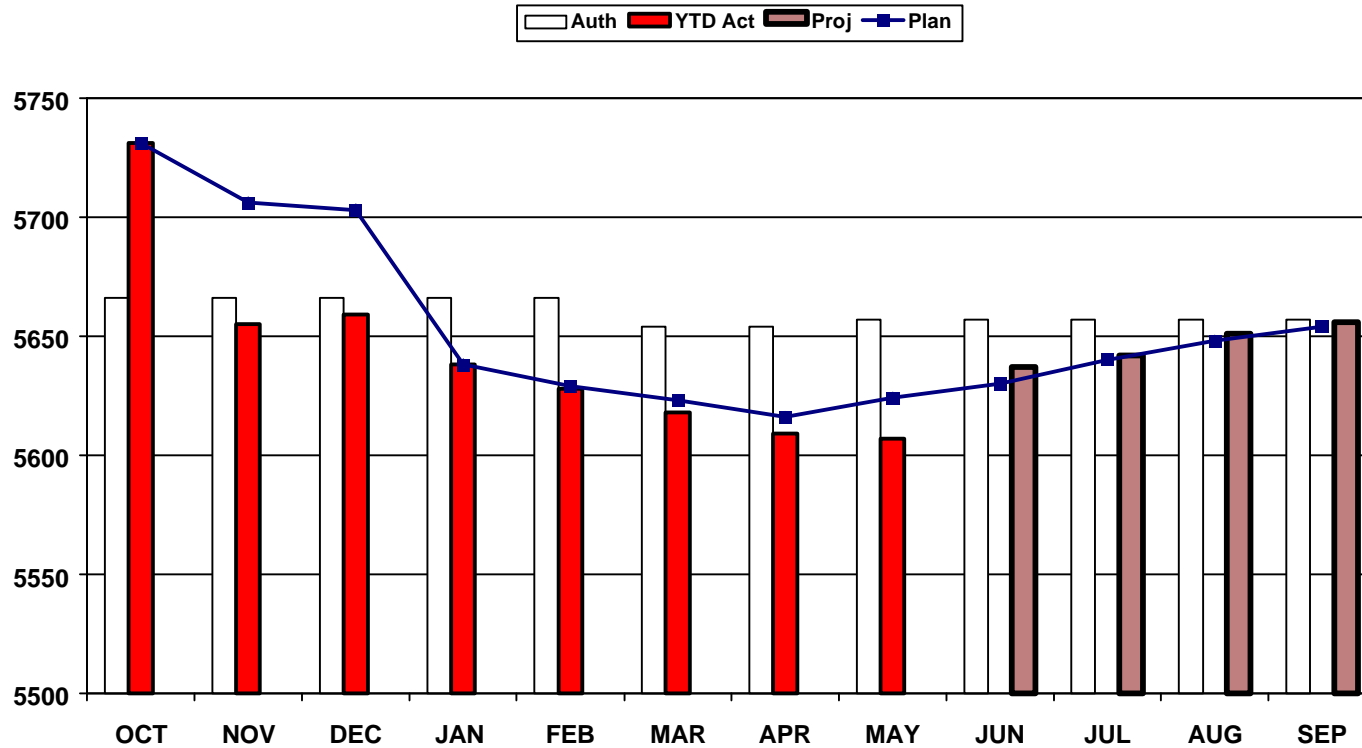
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Authorized	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282
Plan	5,347	11,302	17,868	23,005	33,745	40,236	47,220	54,429	60,637	66,686	72,684	78,282
Earnings	5,347	11,385	16,410	23,005	34,709	41,240	48,466	55,379				

Obligations/Current Month Plan: 101.7%

District FTE Status

STATUS: Green

FY97 Goal: Within .5% of Plan



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Auth	5666	5666	5666	5666	5666	5654	5654	5657	5657	5657	5657	5657
Plan	5731	5706	5703	5638	5629	5623	5616	5624	5630	5640	5648	5654
YTD Act	5731	5655	5659	5638	5628	5618	5609	5607				
Proj									5637	5642	5651	5656



FY97 FTE EXECUTION

STATUS: GREEN

- Although we are in a green status based on our plan we are below our year end goal of 5654 by 47 FTEs
- The CAO FTE plans project that we will meet/exceed our goal.
- With only 4 months remaining we will have to hire between 150 to 200 additional personnel to reach our goal.
- There are 235 SF52s currently in house and more are in process.
- We plan to hire 100 to 150 students in the May/Jun time frame.
- FTE burn is being closely monitored to ensure the goal is reached.



Mission Performance

Performance Metric	West
1. Right Item - Conforming Items (3.7.1.3)	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green
• Packaging Discrepancies (3.4.1)	NR
• Adopted Software Recommendations (3.10.1.6)	Yellow
2. Right Time - On Time Contractor Delivery (3.7.1)	NR
• Customer Priority List (CPL) Coverage (3.7.2)	Green
• Engineering Change Cycle Time (3.10.2.2)	Green
• Schedule Slippage's on Major Programs (3.12.2.1)	NR
• Shipping Document Cycle Time (3.5.2)	NR
3. Right Price - Cost Savings and Avoidances (1.4.1)	NR
• ROA on Property from Plant Clearance (4.3.1)	Green
• Negotiation Cycle Time (2.2.2)	NR
• UCA Definitization (2.2.2.1)	Yellow
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green
• Open Overhead Negotiations (4.4.1)	Red
• Cost Overruns on Major Programs (3.12.1.4)	NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green





Right Item

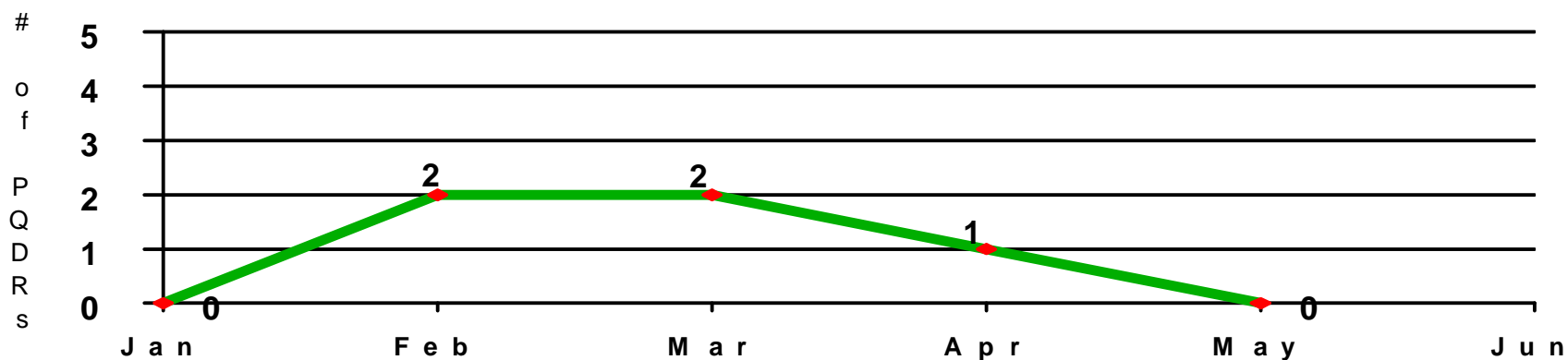
Percent Conforming Items

Number of useable lab tested items/number of items tested

STATUS: Not Rated

FY 97 GOAL : 5% improvement

L a b T e s t P Q D R s F Y 9 7



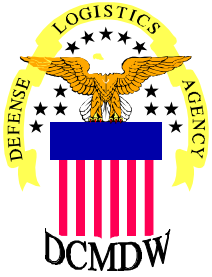
- No Lab Test PQDRs received.



Mission Performance

Performance Metric	West
1. Right Item - Conforming Items (3.7.1.3)	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green
• Packaging Discrepancies (3.4.1)	NR
• Adopted Software Recommendations (3.10.1.6)	Yellow
2. Right Time - On Time Contractor Delivery (3.7.1)	NR
• Customer Priority List (CPL) Coverage (3.7.2)	Green
• Engineering Change Cycle Time (3.10.2.2)	Green
• Schedule Slippage's on Major Programs (3.12.2.1)	NR
• Shipping Document Cycle Time (3.5.2)	NR
3. Right Price - Cost Savings and Avoidances (1.4.1)	NR
• ROA on Property from Plant Clearance (4.3.1)	Green
• Negotiation Cycle Time (2.2.2)	NR
• UCA Definitization (2.2.2.1)	Yellow
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green
• Open Overhead Negotiations (4.4.1)	Red
• Cost Overruns on Major Programs (3.12.1.4)	NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green





Right Item

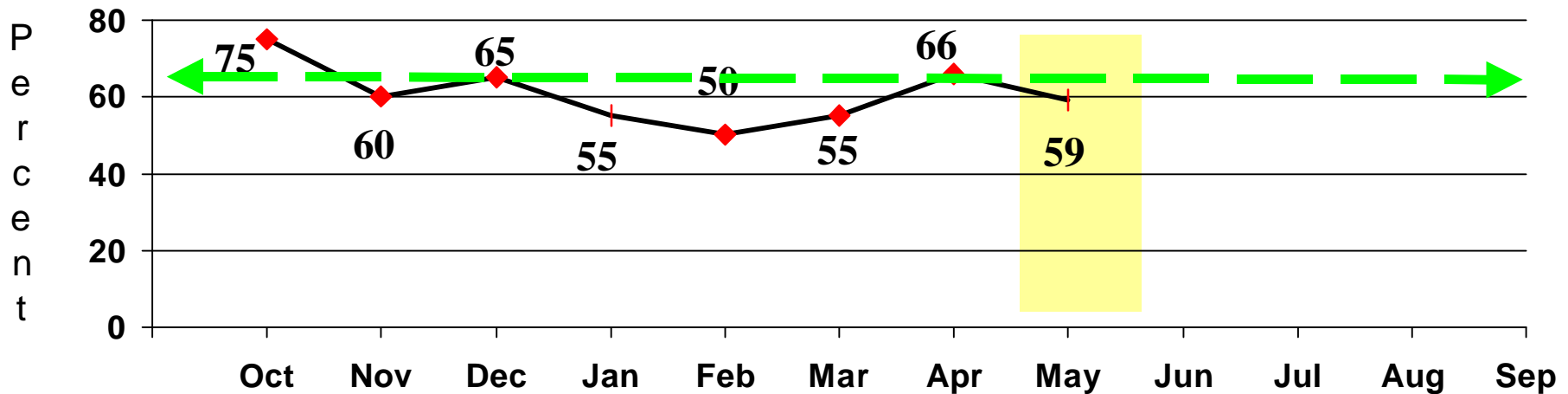
Surveillance of Software Development

65% of comments prior to Coding

STATUS: YELLOW

FY 97 GOAL : 65% prior to coding

Comments prior to code/total # of comments



- We expect this metric to change to reflect the percent of comments accepted by next MMR.

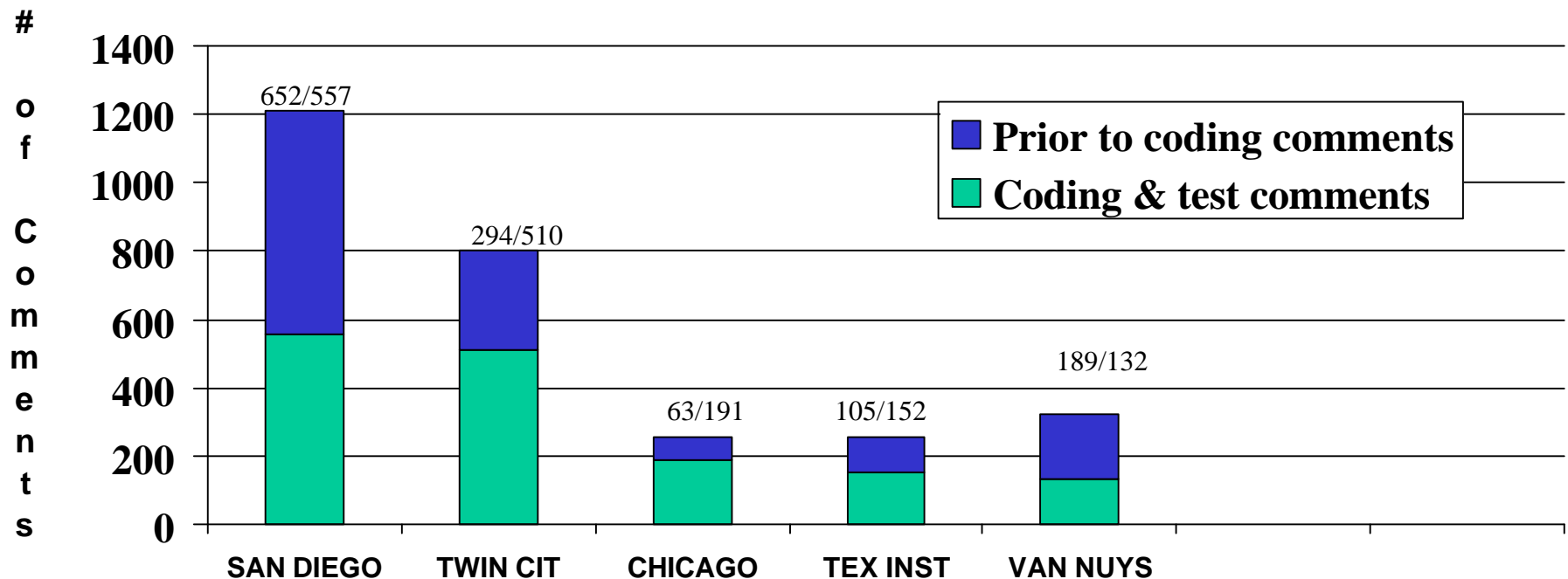


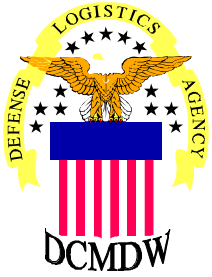
Right Item

Surveillance of Software Development

Pacing organizations not meeting 65% of comments prior to Coding goal (yellow)

Pacing CAOs





Right Item

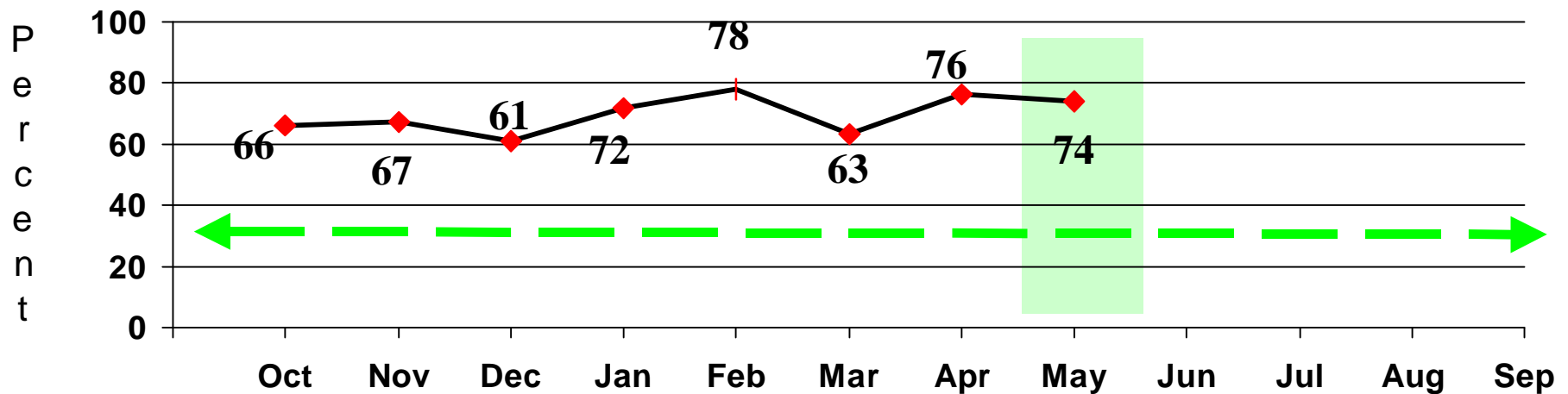
Surveillance of Software Development

30% of comments prior to Coding are accepted

STATUS: GREEN

FY 97 GOAL: 30% accepted

Comments prior to code, accepted/total # of comments



- What did we accomplish since the last report...
 - Provided guidance for combining like discrepancies



Mission Performance

Performance Metric	West
1. Right Item - Conforming Items (3.7.1.3)	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green
• Packaging Discrepancies (3.4.1)	NR
• Adopted Software Recommendations (3.10.1.6)	Yellow
2. Right Time - On Time Contractor Delivery (3.7.1)	NR
• Customer Priority List (CPL) Coverage (3.7.2)	Green
• Engineering Change Cycle Time (3.10.2.2)	Green
• Schedule Slippage's on Major Programs (3.12.2.1)	NR
• Shipping Document Cycle Time (3.5.2)	NR
3. Right Price - Cost Savings and Avoidances (1.4.1)	NR
• ROA on Property from Plant Clearance (4.3.1)	Green
• Negotiation Cycle Time (2.2.2)	NR
• UCA Definitization (2.2.2.1)	Yellow
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green
• Open Overhead Negotiations (4.4.1)	Red
• Cost Overruns on Major Programs (3.12.1.4)	NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green





Right Price

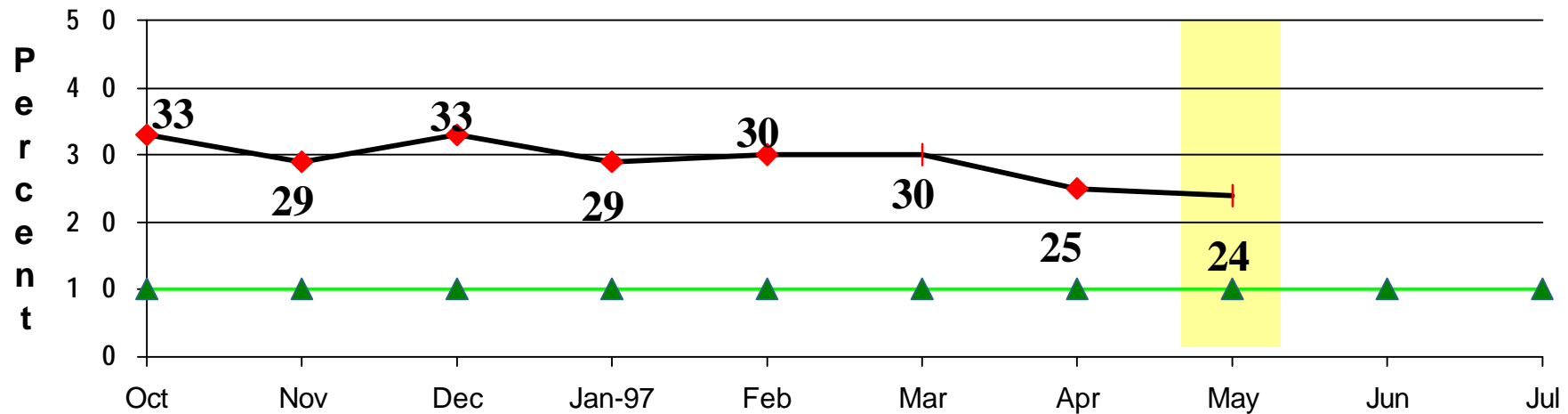
UCA Definitization

UCAs On-Hand > 180 Days / # UCAs On-Hand

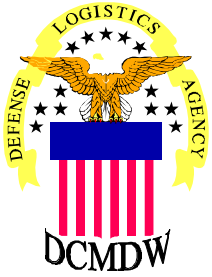
STATUS: Yellow

FY 97 GOAL : 10% Overage

Overage Percent Trend Line



- What we accomplished since the last report
 - Remain in Yellow status
 - District obtained updated corrective action plans from CAOs
 - Overage percent decreased from 25% in April to 24% in May
 - Overage UCAs decreased from 468 in April to 433 in May
 - On-Hand UCAs decreased from 1828 in April to 1792 in May



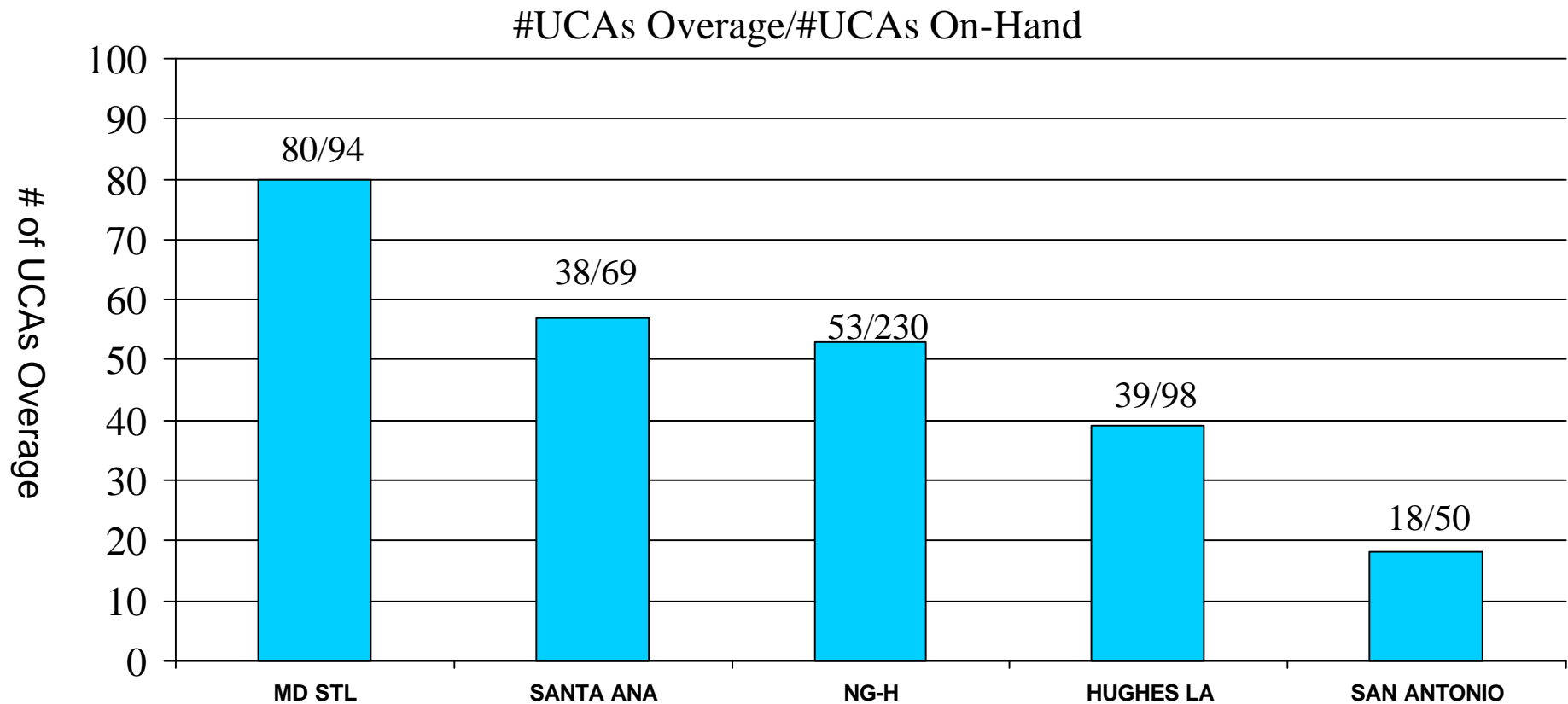
Right Price

UCA Definitization

Pacing CAOs With Overage UCAs

STATUS: Yellow

FY 97 GOAL : 10% Overage



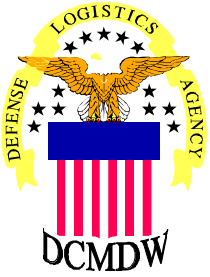


Right Price

UCA Definitization

CAO Drivers, Corrective Actions, Get Well Dates

- MD St. Louis Dec 97
 - As a result of an IOA finding, CAO reclassified the UCA workload
 - Overage percent increased from 18% in April to 85% in May
 - Overage UCAs increased from 23 in April to 80 in May
 - Management Council addressing overage issues ---late/inadequate proposal submissions
- Santa Ana Sep 97
 - Boeing North American
 - Anaheim -- Repair parts no longer in production--contractor looking for new vendors -- 10 Overage UCAs
 - Seal Beach -- AC-130U Gunship -- Part # rolls and aircraft configuration not baselined --- 14 Overage UCAs
 - Contributes to late proposal submittals by the contractor
 - Additional funding is required on six orders affecting the ALLTV laser component---CAO is working with the contractor and buying activity to resolve this issue
 - Management Council focusing attention on issues causing overage

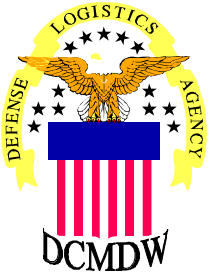


Right Price

UCA Definitization

CAO Drivers, Corrective Actions, Get well Dates

- Northrop Grumman (Hawthorne) Jan 98
 - Additional funding is still a problem
 - Anti-Deficiency Act investigation at OC-ALC
 - Overage percent decreased from 38% in April to 23% in May
 - Overage UCAs decreased from 85 to 53
- Hughes LA Sep 97
 - Personnel vacancies filled at Fullerton location improved the UCA backlog
 - Overage percent decreased from 51% in April to 39% in May
 - Overage UCAs decreased from 58 to 39



Right Price

UCA Definitization

CAO Drivers, Corrective Actions, Get Well Dates

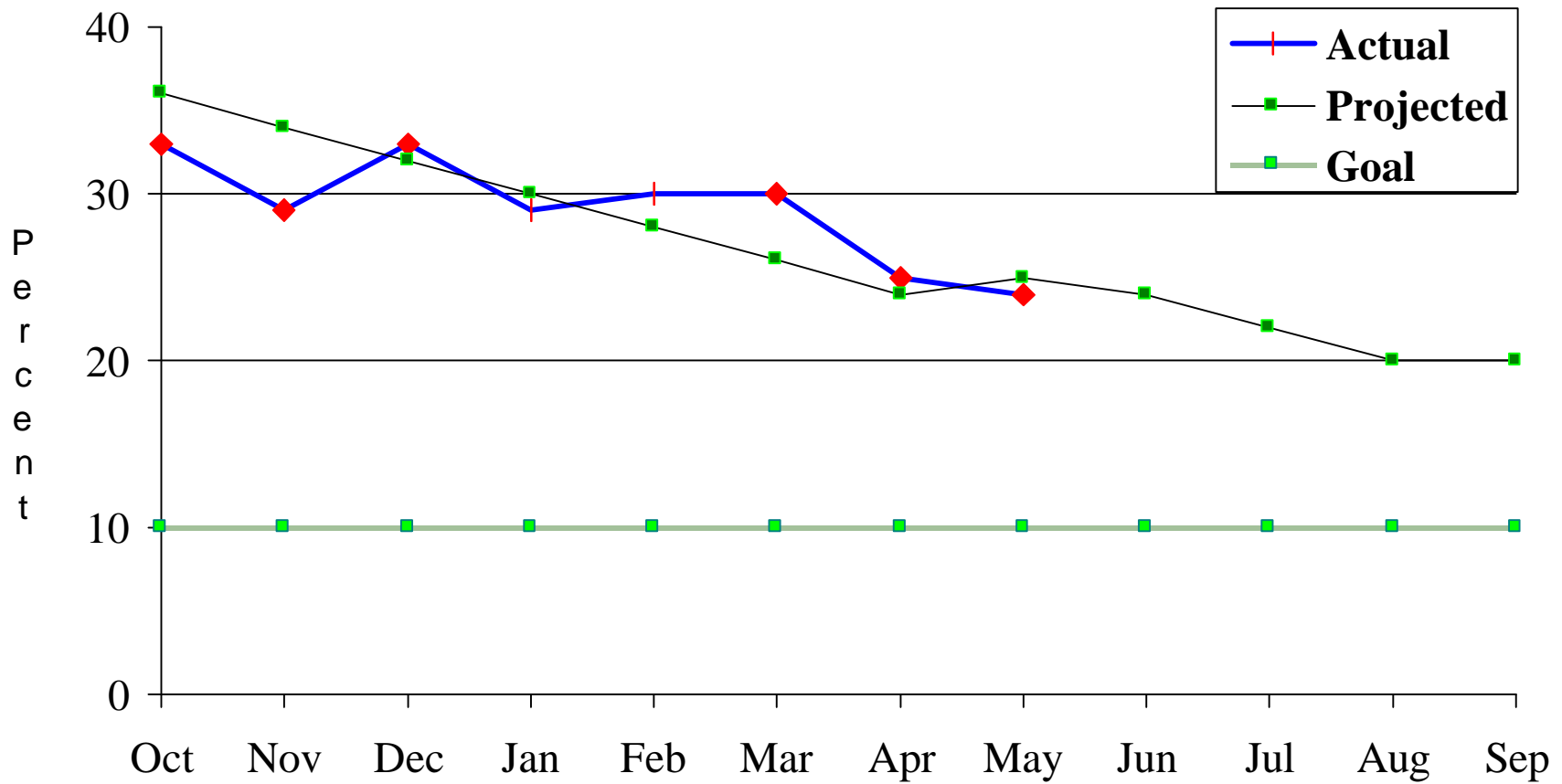
- San Antonio Jul 97
 - The Wornick Company
 - 16 out of 18 overage
 - All are food orders (MREs) with Defense Personnel Supply Center
 - Subsequent changes (menu updates) are made to the original change orders---causing delay with the negotiation cycle
 - Management Council was formed for DPSC and contractor to correct this situation
 - Impact----overage UCAs on-hand decreased from 22 in April to 18 in May
 - The CAO's overage percent has decreased for three consecutive months
 - Mar 97 -- 73%
 - Apr 97 -- 52%
 - May 97 -- 36%

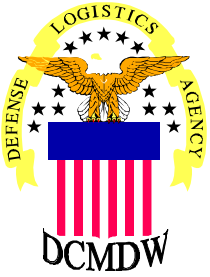


Right Price

UCA Definitization

Dec 96- Projected District Trend





Right Price

UCA Definitization

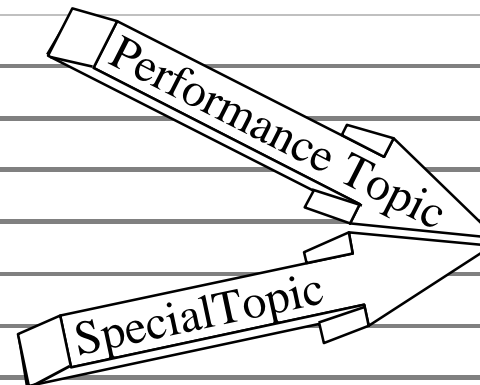
Bottom Line

- We are on target with our District projected trend through May 97
- Corrective action plans for pacing CAOs are continuously monitored
- Expect downward trend in number of overage UCAs to continue



Mission Performance

Performance Metric	West
1. Right Item - Conforming Items (3.7.1.3)	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green
• Packaging Discrepancies (3.4.1)	NR
• Adopted Software Recommendations (3.10.1.6)	Yellow
2. Right Time - On Time Contractor Delivery (3.7.1)	NR
• Customer Priority List (CPL) Coverage (3.7.2)	Green
• Engineering Change Cycle Time (3.10.2.2)	Green
• Schedule Slippage's on Major Programs (3.12.2.1)	NR
• Shipping Document Cycle Time (3.5.2)	NR
3. Right Price - Cost Savings and Avoidances (1.4.1)	NR
• ROA on Property from Plant Clearance (4.3.1)	Green
• Negotiation Cycle Time (2.2.2)	NR
• UCA Definitization (2.2.2.1)	Yellow
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green
• Open Overhead Negotiations (4.4.1)	Red
• Cost Overruns on Major Programs (3.12.1.4)	NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green



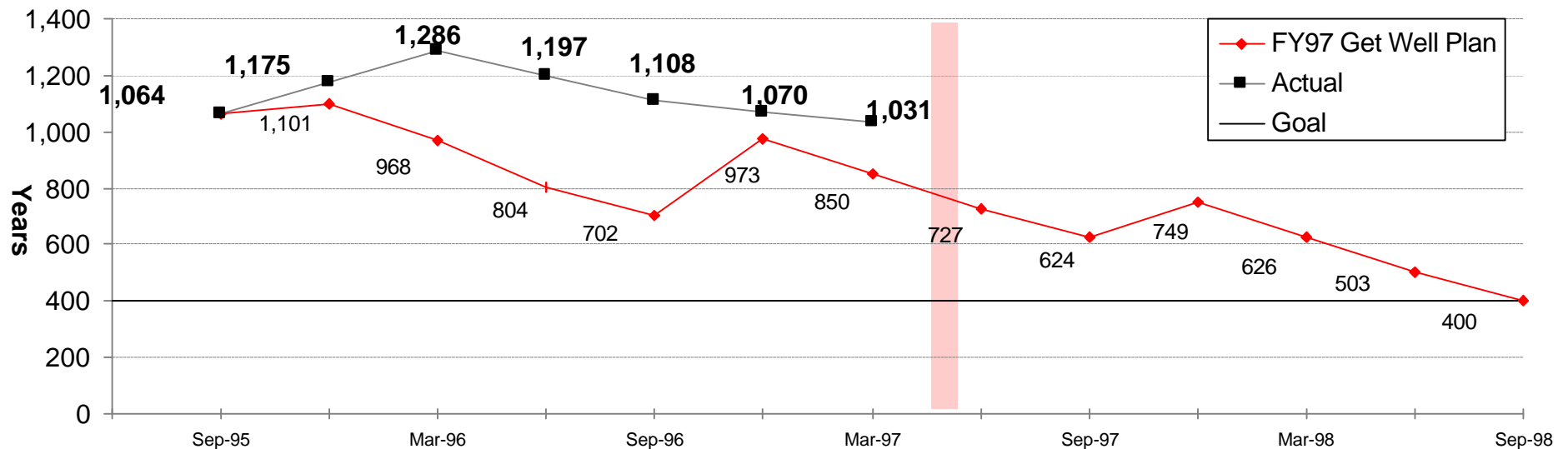


Right Price

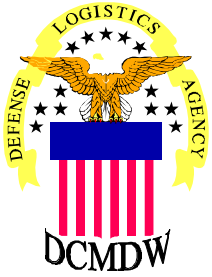
Number of Open Overhead Negotiations

Status: RED

FY97 Goal: Backlog within 2 Year Cycle

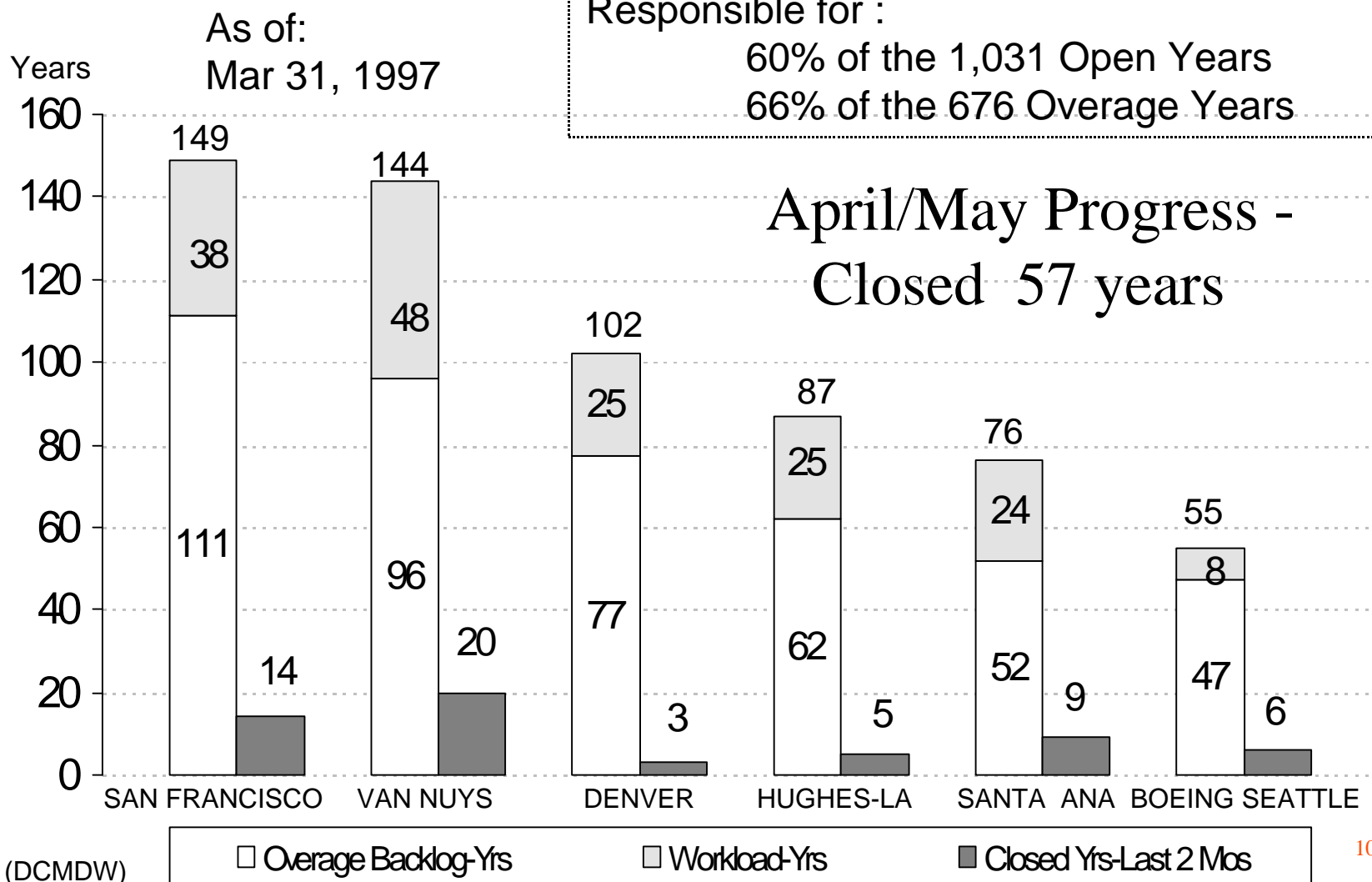


- DCMDW Open Onhand Comparison
 - 1,108 Open Overhead Years (30 Sep 96)
 - 1,031 Open Overhead Years (31 Mar 97) (Down 77 years)
- Closed 253 open years Sep 96 thru Mar 97
- Revisits and initial second tier site visits at CAOs underway (June teams at Van Nuys, Hughes LA, Boeing Seattle, Seattle, 6 offices Dallas area and Northrop Grumman).



Right Price

Number of Open Overhead Negotiations Pacing CAOs for “Count” - Top 6 of 30





Right Price

Number of Open Overhead Negotiations

Bottom Line

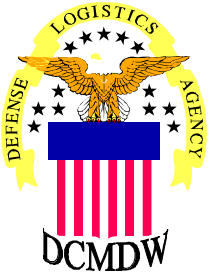
- Overhead Center reviews having field impact.
- Six Pacing CAOs settlement plans received - may not meet goal.
- Plans from all other CAOs requested and monthly reporting versus semi-annual starts in July, will be discontinued upon deployment of AMS
- Process drill down continues; major areas receiving attention are: “In Negotiations Over Six Months” and “Pending Other Action”.
- Major Focus and Management Attention On !



Mission Performance (Con't)

Performance Metric	West
• % Contractors on Contractor Alert List (CAL) (2.1.1.2)	NR
• Single Process Implementation (1.2.4)	Green
• Preaward Survey Timeliness (2.1.2)	Green
• Amount of DoD Property (3.2.1.1)	NR
• Excess Property (3.2.1.2)	Green
• Delay Forecast Coverage (3.7.1.1)	NR
• Delay Forecast Timeliness (3.7.2.1)	NR
• Delay Forecast Accuracy (3.7.1.2)	NR
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green
• Service Standards (1.3.1)	Green
• Trailer Cards (3.11.1.2)	Green
6. Right Efficiency - New efficiency metric under development	NR
• Contract Closeout (4.2.2.2)	Green
• Canceling Funds (TBD) (Unreconciled Contracts)	Red
• Termination Actions (4.1.2)	Red
7. Right Talent - Training Hours (1.8.1)	Green
• DAWIA Certification (1.8.1.2)	Green
• Course Completion (1.8.1.1)	Green
• Training Quota Usage (1.8.1.3)	Green





SPECIAL TOPIC

Unreconcilable Contracts

- 57 DFAS Contracts determined to be unreconcilable and transferred to Districts for reconciliation and closeout
- Western District received 31 of the 57
- 10 Contracts remain to be closed (Down 5)
 - 8 Will be closed by Aug 15, 1997
 - 1, Solar Turbines, In litigation and CAO is in process of having it removed from the list.
 - 1, Electronic Space, Contractor is in litigation regarding a pension issue resulting from a corporate consolidation. Outcome may impact old contracts. Legal advises CAO to defer all negotiations until case is resolved.



SPECIAL INTEREST TOPIC

Unreconcilable Contracts

<u>CAO</u>	<u># Contracts</u>	<u># Completed</u>	<u>Balance</u>
St. Louis	2	1	1
Twin Cities	3	1	2
Hughes, L.A.	1	0	1
Santa Ana	2	2	0
San Diego	2	1	1
Phoenix	3	1	2
Van Nuys	7	4	3
San Francisco	<u>11</u>	<u>11</u>	<u>0</u>
	31	21	10



DFAS UNRECONCILABLE CONTRACTS - WEST **CONTRACTS REMAINING TO BE CLOSED**

CONTRACT NUMBER	CONTRACTOR NAME	DCMC OFFICE	COMP DATE	COMP METHOD/COMMENTS
N00024-82-C-6135	ALLIANT TECH SYS	TWIN CITIES	6/23/97	In final stages of closing. MOCAS adjustment had been needed, now done.
N00024-73-C-1327	UNISYS	TWIN CITIES	TBD	Contract reconciliation is currently in DFAS legal for review. CAO in close touch with DFAS counterpart
F19628-80-C-0126	HUGHES	HUGHES, LA	8/15/97	Recon., closure in process
N00024-81-C-5340	SOLAR TURBINES	SAN DIEGO	6/30/98	In litigation as of 4/15/96, CAO working with DFAS to close and/or transfer file to DFAS
N00019-97-C-0268	UNIVERSAL PROP	PHOENIX	3/14/97	In final stages of closing.
N00019-88-C-0153	SIMULA	PHOENIX	TBD	MOCAS adjustment needed. CAO working with DFAS to get adjustment made. Slow process
N00123-87-C-0074	WESTERN COMPUTER	VAN NUYS	6/30/97	CAO working with DFAS to determine if this contract can be reconciled and removed from list.
F42600-85-C-1678	UNISYS	VAN NUYS	6/30/97	CAO waiting for DFAS response re: whether DFAS should take this one back.
F04606-84-G-1017	LITTON SYSTEMS	VAN NUYS	6/30/97	CAO waiting for DFAS action on Ktr. Refund. CAO expects to have \$0 pay invoice from Ktr this week.
DAAK29-85-C0631	ELECTRONIC SPACE	ST. LOUIS	3/1/00	Reconciliation at DFAS, CAO legal says they should not close, litigation pending with contractor.

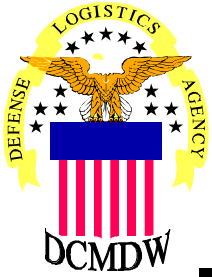
Estimated dates



Mission Performance (Con't)

Performance Metric	West
• % Contractors on Contractor Alert List (CAL) (2.1.1.2)	NR
• Single Process Implementation (1.2.4)	Green
• Preaward Survey Timeliness (2.1.2)	Green
• Amount of DoD Property (3.2.1.1)	NR
• Excess Property (3.2.1.2)	Green
• Delay Forecast Coverage (3.7.1.1)	NR
• Delay Forecast Timeliness (3.7.2.1)	NR
• Delay Forecast Accuracy (3.7.1.2)	NR
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green
• Service Standards (1.3.1)	Green
• Trailer Cards (3.11.1.2)	Green
6. Right Efficiency - New efficiency metric under development	NR
• Contract Closeout (4.2.2.2)	Green
• Canceling Funds (TBD) (Unreconciled Contracts)	Red
• Termination Actions (4.1.2)	Red
7. Right Talent - Training Hours (1.8.1)	Green
• DAWIA Certification (1.8.1.2)	Green
• Course Completion (1.8.1.1)	Green
• Training Quota Usage (1.8.1.3)	Green





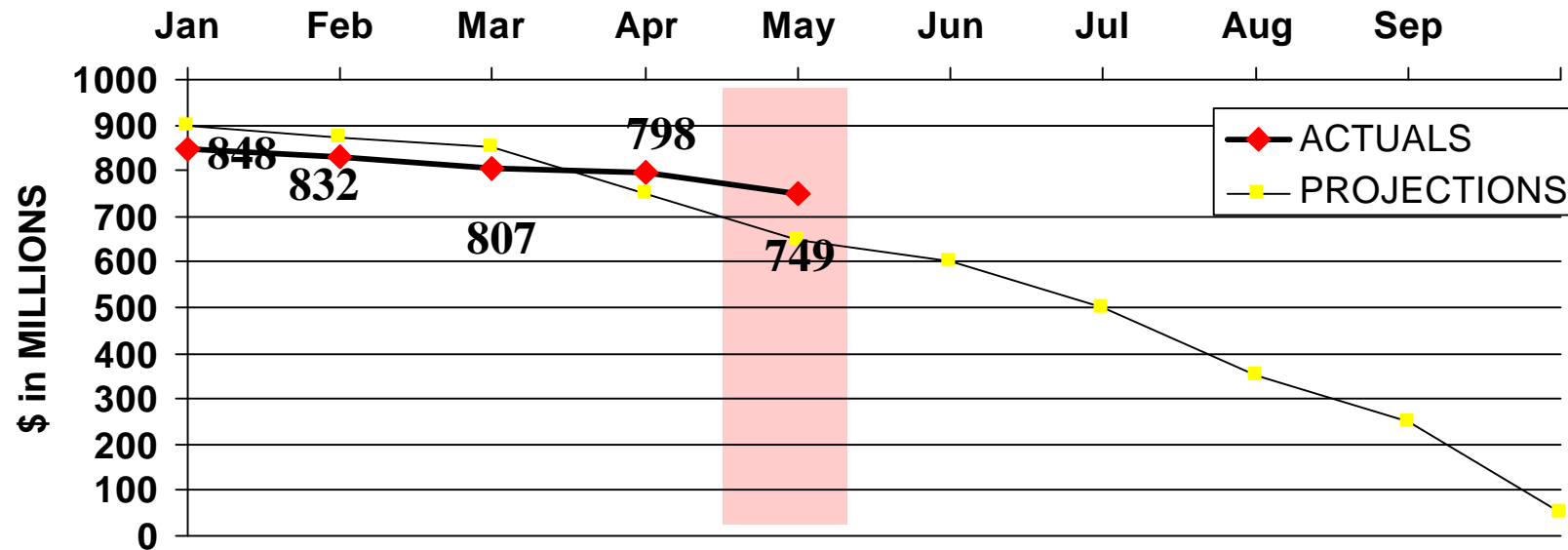
Right Efficiency Contract Closeout

Canceling Funds

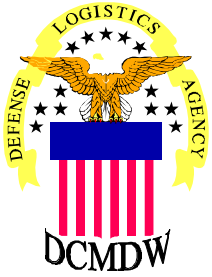
STATUS: Red

FY 97 GOAL : \$0 Canceling Funds

District Canceling Funds Burn Down Trend



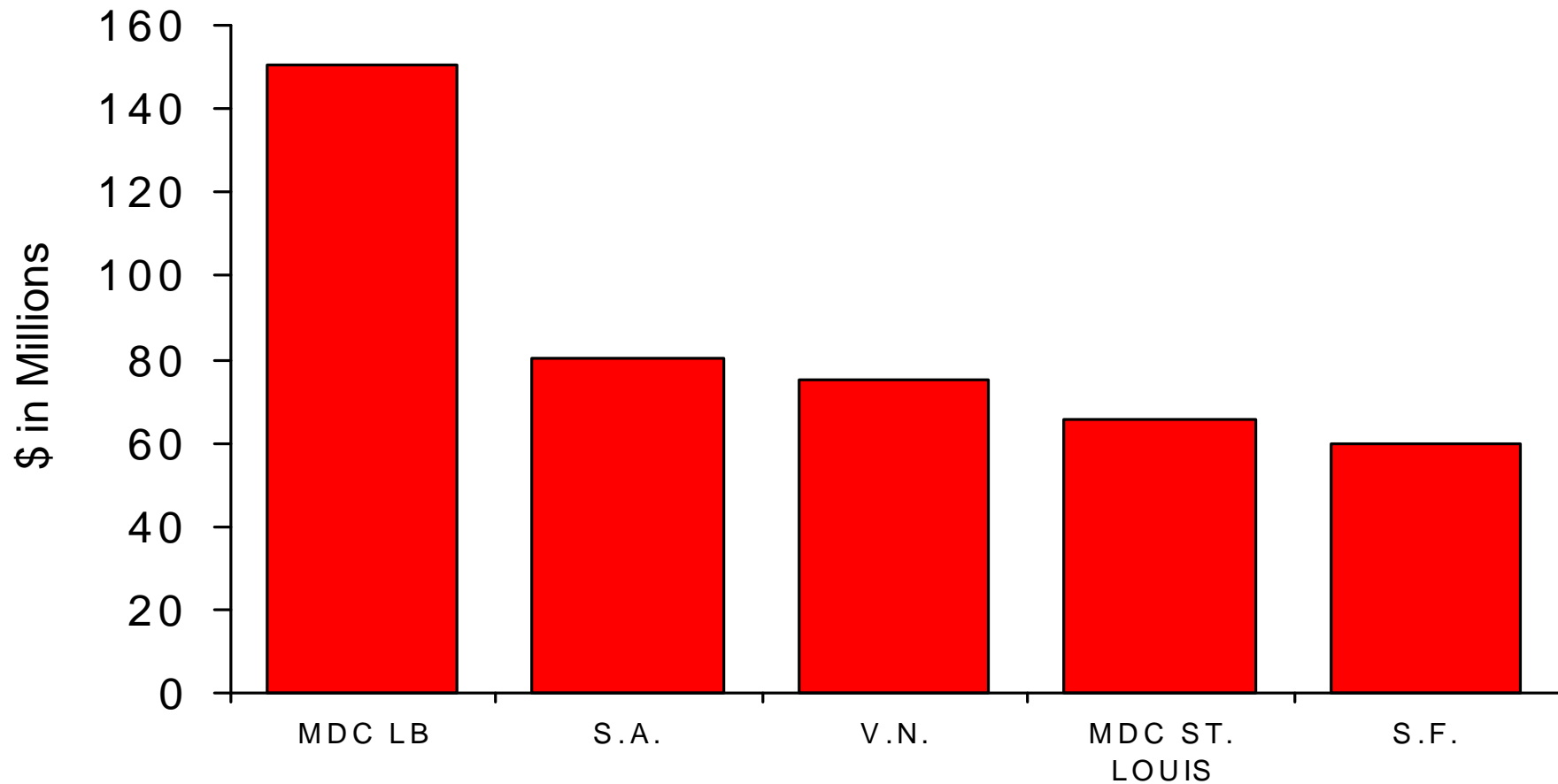
- Accomplishments since the last MMR
 - Progressing down the slope
 - Participated in HQ DCMC conference, Jun 24-26, to establish measurement/tracking criteria



Right Efficiency Contract Closeout Canceling Funds

Pacing CAOs

CAOs with Greatest Canceling Funds \$s





Pacing CAOs

MD, Long Beach: \$151M in ULO, all in Section 1

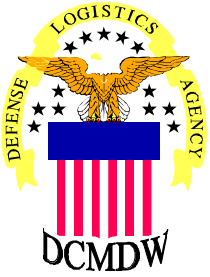
- Of the \$35.5M undisbursed, 60% is C-17, 40% is KC-10, Other
- Anticipated end of year forecasted loss and reasons therefore are being determined at this time.

Santa Ana: \$80M in ULO

- Driving contractor is AEROJET, with \$29.5M at risk on DSP program .
Driving factor associated with award fee restructure
 - Reconciliations in process at DFAS
 - CAO working with contractor to ensure deliveries are made and work in process liquidated
- Anticipated end of year forecasted loss is \$25.3M

Van Nuys: \$75M in ULO

- Driving contractor is TRW with 30 contracts totaling \$38.82M
- Reasons for canceling funds:
 - Full funding issues - award fees and ‘other deliverables’ - when budgeted vs. time of expenditure, worth in excess of \$7.9M
 - Two DSP terminations for SMC, one valued at \$8M / other value unknown at present
- Anticipated end of year forecasted loss is \$15M



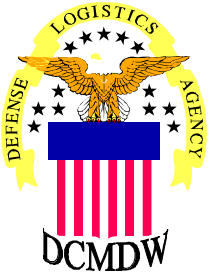
Pacing CAOs

MD, St. Louis: \$66M in ULO

- 4 contracts are drivers with a total ULO of \$48.69M. The primary driver is the F-15 program(\$36.7M)
 - Final billings required from contractors, CAO in contact with contractor to expedite billings.
- Anticipated end of year forecasted loss is \$1.3M

San Francisco: \$60M in ULO

- 7 contractors have an aggregate \$38.2M at risk. Anticipate resolution before year end.
 - A team has been established to concentrate on avoiding the loss of canceling funds.
- Anticipated end of year forecasted loss is \$21.8M



Right Efficiency

Contract Closeouts / Canceling Funds

Bottom Line

- District drill down analysis continues for improved forecasting.
 - District is tracking each office by CAR Section.
- Projections and Corrective Action Plans requested from the CAOs and are under review.
- Districts and HQ met June 24 - June 26
 - Accomplishments:
 - Developed ways to improve CAO performance and improve chances of meeting goal
 - Developed coordinated guidance to ensure consistent reporting



Mission Performance (Con't)

Performance Metric	West
• % Contractors on Contractor Alert List (CAL) (2.1.1.2)	NR
• Single Process Implementation (1.2.4)	Green
• Preaward Survey Timeliness (2.1.2)	Green
• Amount of DoD Property (3.2.1.1)	NR
• Excess Property (3.2.1.2)	Green
• Delay Forecast Coverage (3.7.1.1)	NR
• Delay Forecast Timeliness (3.7.2.1)	NR
• Delay Forecast Accuracy (3.7.1.2)	NR
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green
• Service Standards (1.3.1)	Green
• Trailer Cards (3.11.1.2)	Green
6. Right Efficiency - New efficiency metric under development	NR
• Contract Closeout (4.2.2.2)	Green
• Canceling Funds (TBD) (Unreconciled Contracts)	Red
• Termination Actions (4.1.2)	Red
7. Right Talent - Training Hours (1.8.1)	Green
• DAWIA Certification (1.8.1.2)	Green
• Course Completion (1.8.1.1)	Green
• Training Quota Usage (1.8.1.3)	Green



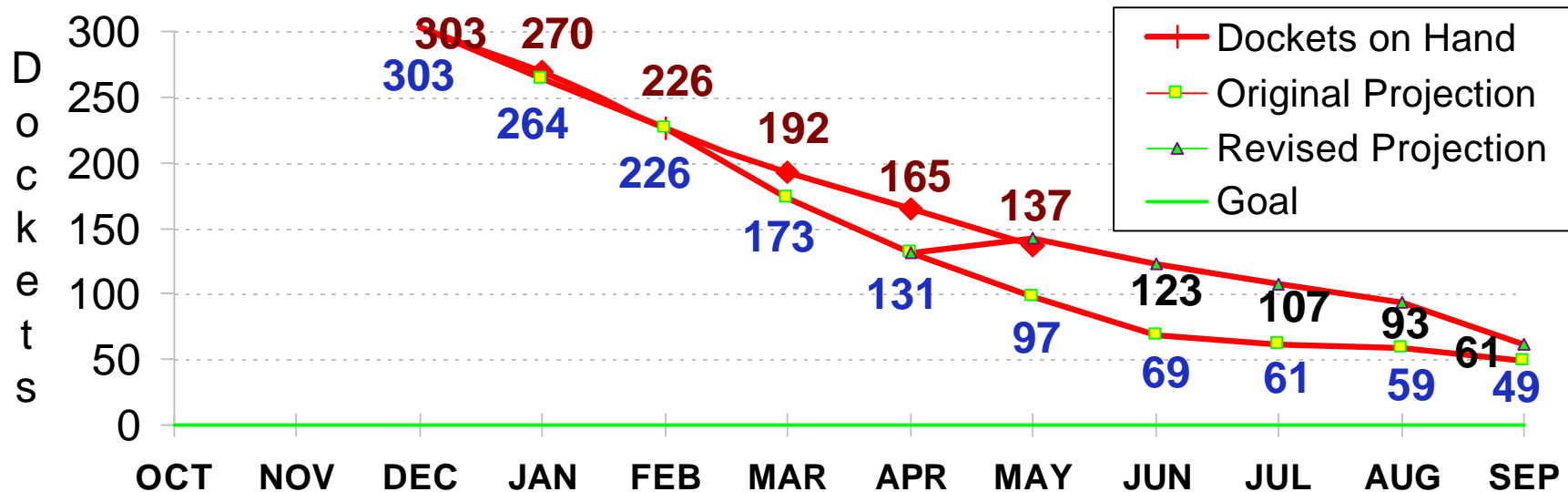


Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

STATUS: RED

FY97 Goal: Zero Dockets with
Termination Date prior to 1/1/95



What we have accomplished since the last briefing ...

- Total number of overage dockets continues to decrease, but not as planned.
- Variances to the corrective action plan have been reviewed.
- The forecast of 49 open overage dockets by 1 Oct 97 has been revised to 61 due to anticipated increase of litigation.

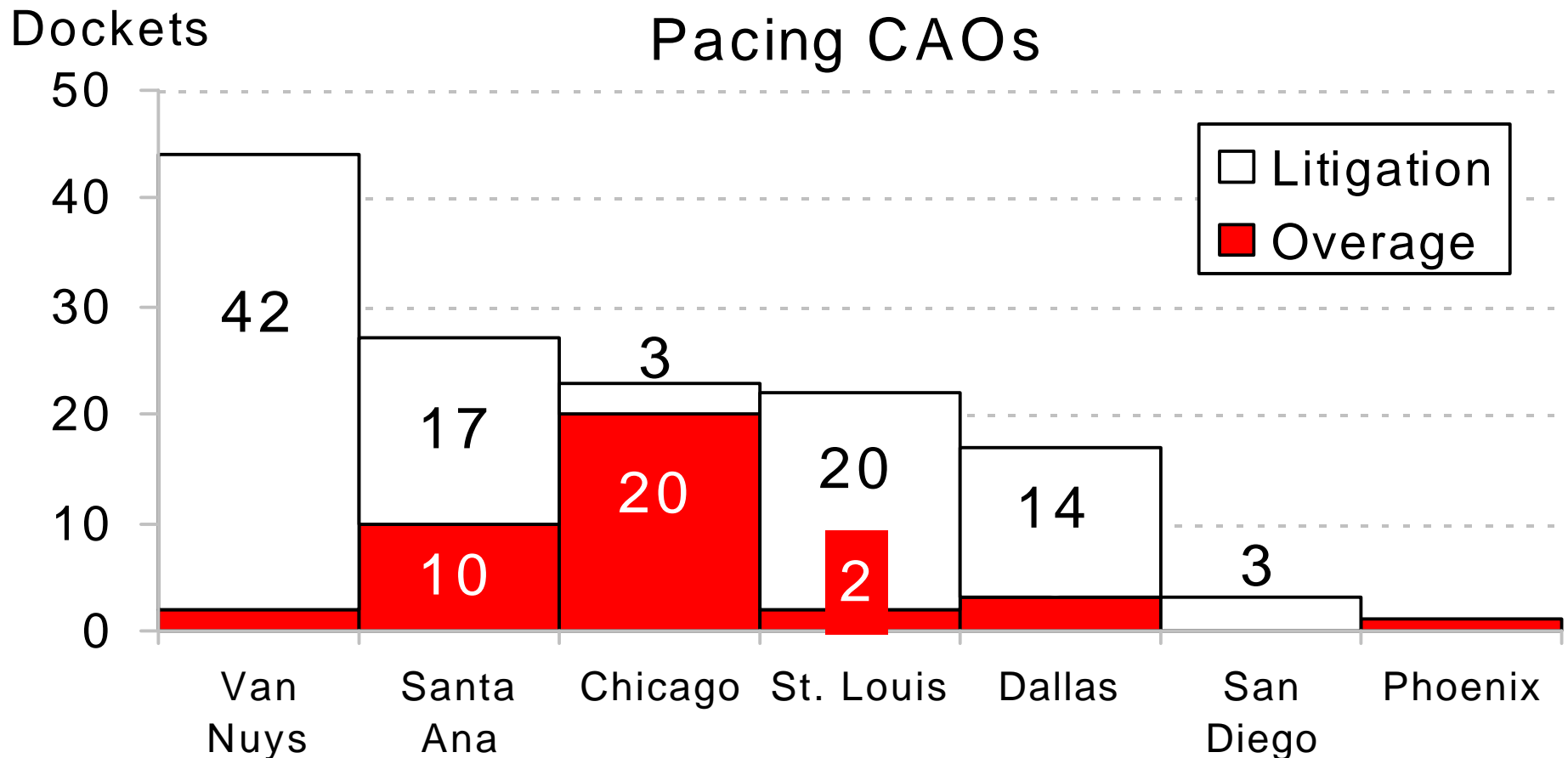


Right Efficiency Termination Actions

Overage Dockets - Pacing CAOs

STATUS: RED

FY 97 Goal: Zero Dockets with
Termination Date prior to 1/1/95





Right Efficiency Termination Actions

Overage Dockets - CAO Burn Down Plan

STATUS: RED

FY97 Goal: Zero Dockets

		12/96	1/97	2/97	3/97	4/97	5/97	6/97	7/97	8/97	9/97
DCMC Van Nuys											
(O/H: 185 Overage: 44 - 24%) ORIG	(1)	120	103	88	68	48	28	8	3	3	3
Revised Projection							48	39	29	19	3
ACTUAL		120	104	87	72	58	44				
DCMC Dallas											
(O/H: 84 Overage: 17 - 20%) ORIG	(2)	53	41	31	18	12	7	6	6	6	3
Revised Projection							17	17	14	13	13
ACTUAL		51	41	32	26	24	17				
DCMC Santa Ana											
(O/H: 81 Overage: 27 - 33%) ORIG	(3)	54	51	44	31	25	22	20	18	18	12
Revised Projection							27	22	20	20	14
ACTUAL		54	51	41	33	28	27				
DCMC St. Louis											
(O/H: 128 Overage: 22 - 17%) ORIG	(4)	39	34	30	24	19	13	8	7	6	6
Revised Projection							24	18	17	14	6
ACTUAL		39	39	33	31	28	22				
DCMC Chicago											
(O/H: 101 Overage: 23 - 23%) ORIG	(5)	31	31	29	29	24	24	24	24	24	24
Revised Projection							23	23	23	23	23
ACTUAL		31	31	29	26	23	23				
DCMC San Diego											
(O/H: 14 Overage: 3 - 21%) ORIG	(6)	3	3	3	2	2	2	2	2	2	1
Revised Projection							3	3	3	3	2
ACTUAL		4	3	3	3	3	3				
DCMC Phoenix											
(O/H: 31 Overage: 1 - 3%) ORIG		4	1	1	1	1	1	1	1		
Revised Projection							1	1	1		
ACTUAL		4	1	1	1	1	1				
TOTAL AVERAGE DOCKETS		303	270	226	192	165	137				

(1) 2 Dockets in litigation

(2) 3 Dockets in litigation

(3) 4 Dockets will close when funding is received: Rockwell OV10,
10 Dockets in litigation

(4) 2 Dockets in litigation

(5) 20 Dockets in litigation

(6) 1 Docket will remain overage - anticipate close May 98
[Total Cost Proposal]



Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

STATUS: RED

FY 97 Goal: Zero Dockets with
Termination Date prior to 1/1/95

Bottom Line

- From Jan 97 to May 97 there has been a decrease in Overage Dockets by 55% (303 to 137)
- Experiencing variances to optimistic Burndown Plan
- After an incisive review of all overage dockets, the forecasted on-hand docket count by 1 Oct 97 is revised from 49 to 61 due to an increase in potential litigation through issuance of more unilateral determinations than originally anticipated. This increased projection is a result of aggressive actions to reduce those dockets in protracted negotiations and bring the T/C to a point of finality.



Performance Improvement (Con't)

1997 Business Plan - Performance Goals		West
• (2.1.6) Support info technology initiatives by deploying 90% of projects selected in the IRM plan on schedule (INFORMATION TECHNOLOGY INITIATIVES)		NR
• (2.1.7) Develop/deploy small quantity of outcome-oriented performance measures which best portray performance of core processes (METRICS)		NR
• (2.1.8) Package DCMC-wide data for the customer in a comprehensive, timely, and user-friendly manner (PACKAGING DCMC DATA)		NR
• (2.2.1) Use the results of Performance Based Assessment to better structure and utilize the workforce		NR
• (2.3.1) Improve mission and support processes by conducting Management Control Reviews (MCRs) and annual USAs; incorporate areas for improvement into planning process		Green
• (2.3.2) Assess organizational performance through the accomplishment of 30 IOAs during FY 97		Green
• (2.3.3) Benchmark the Distributed Computing Process		NR
• (2.3.4) Explore the use of Alternate Oversight approaches and other methods to enhance operational efficiency at various CAO locations		Green
• (2.3.5) Refine assessment processes (REFINE ASSESSMENT PROCESSES)		NA
• (3.1.1) Reduce facilities costs - bring footage ² of office space into compliance w/ DLA standard - move offices from leased space DoD space	Performance Topic	Red
• (3.1.2) Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide		Green

Performance Goal 3.1.1

Reduce facilities costs - bring footage of office space into compliance w/DLA std. Move offices from leased space into DoD space.

Status: Red

FY 97 Goal: 130 sq ft net per person.
Move offices from leased space to
DoD Space

Comments:

- DCMDW currently occupies office and warehouse space in 92 facilities located in 28 states.

Facilities

- 24 - DoD-owned
 - 47 - Federally-owned
 - 21 - Commercially leased space
- 92 Total

Performance Goal 3.1.1

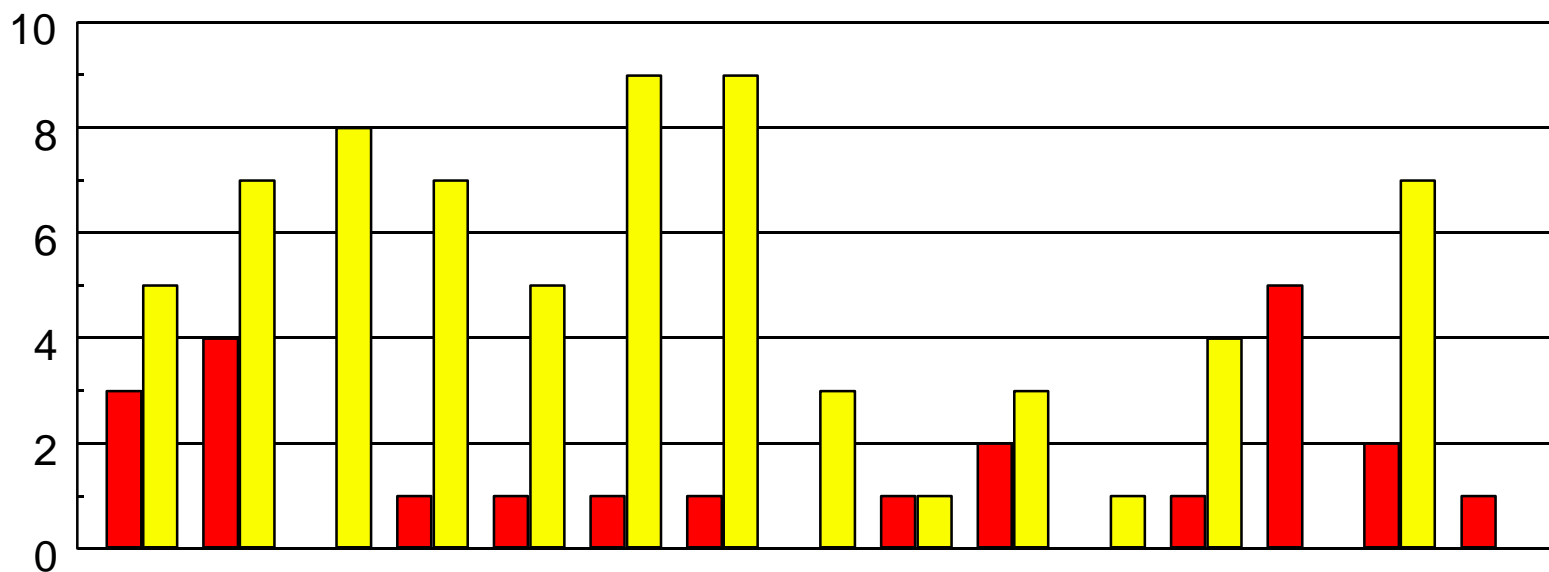
Reduce facilities costs - bring footage of office space into compliance w/DLA std. Move offices from leased space into DoD space.



Comments:

- Of the 23 facilities schedule for space utilization surveys, 15 facilities have been surveyed. Implementation plans are being developed to bring these facilities into compliance.

Performance Goal 3.1.1

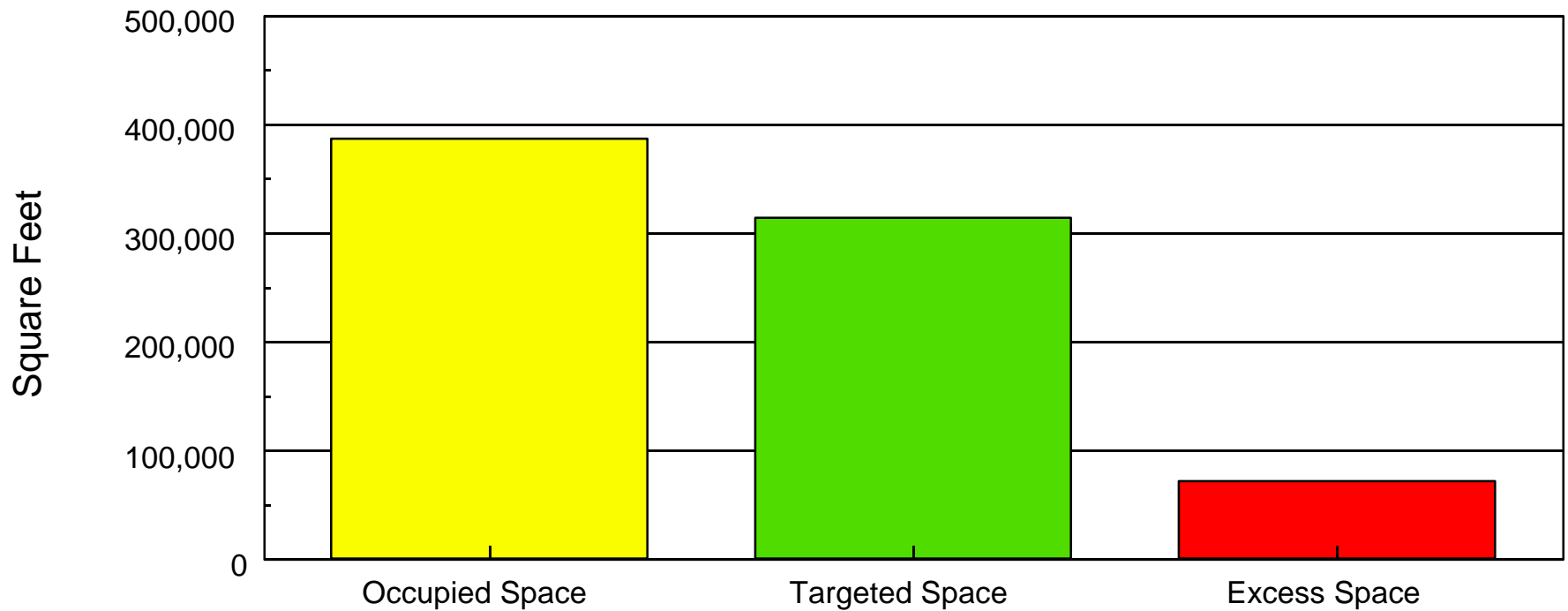
Reduce facilities costs - bring footage of office space into compliance w/DLA std. Move offices from leased space into DoD space.



	GA	GB	GC	GC (Mil)	GD	GE	GF	GK	GL	GP	GS	GT	GV	GW	HQ
non compliance 	3	4	0	1	1	1	1	0	1	2	0	1	5	2	1
compliance 	5	7	8	7	5	9	9	3	1	3	1	4	0	7	0

Performance Goal 3.1.1

Reduce facilities costs - bring footage of office space into compliance w/DLA std. Move offices from leased space into DoD space.



Occupied Space	387,441
Targeted Space	314,730
Excess Space	72,711



Performance Improvement (Con't)

1997 Business Plan - Performance Goals		West
• (3.1.3) Increase civilian supervisory ratio to 13:1		Green
• (3.1.4) Implement Unit Cost Management (UNIT COST MANAGEMENT)	Performance Topic	Yellow
• (3.2.1) Develop and implement an integrated management system		NR
• (3.3.1) Improve elements of the work environment that enhance employees' well being, satisfaction, and productivity		Green
• (4.1.1) Maintain overall customer satisfaction level greater than 4.0 (1-6 scale) across ACAT PMs/PCOs and Commodity Managers/PCOs		Green
• (4.1.2) Field activities continue to solicit customer satisfaction information via Trailer Cards		Green
• (4.2.1) Implement risk management in the reimbursable budget process and improve forecasting, reporting, and billing procedures and processes		Green
• (5.1.1) Establish, maintain, and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS)		Green
• (5.2.1) Improve labor management relations within DCMC		Green

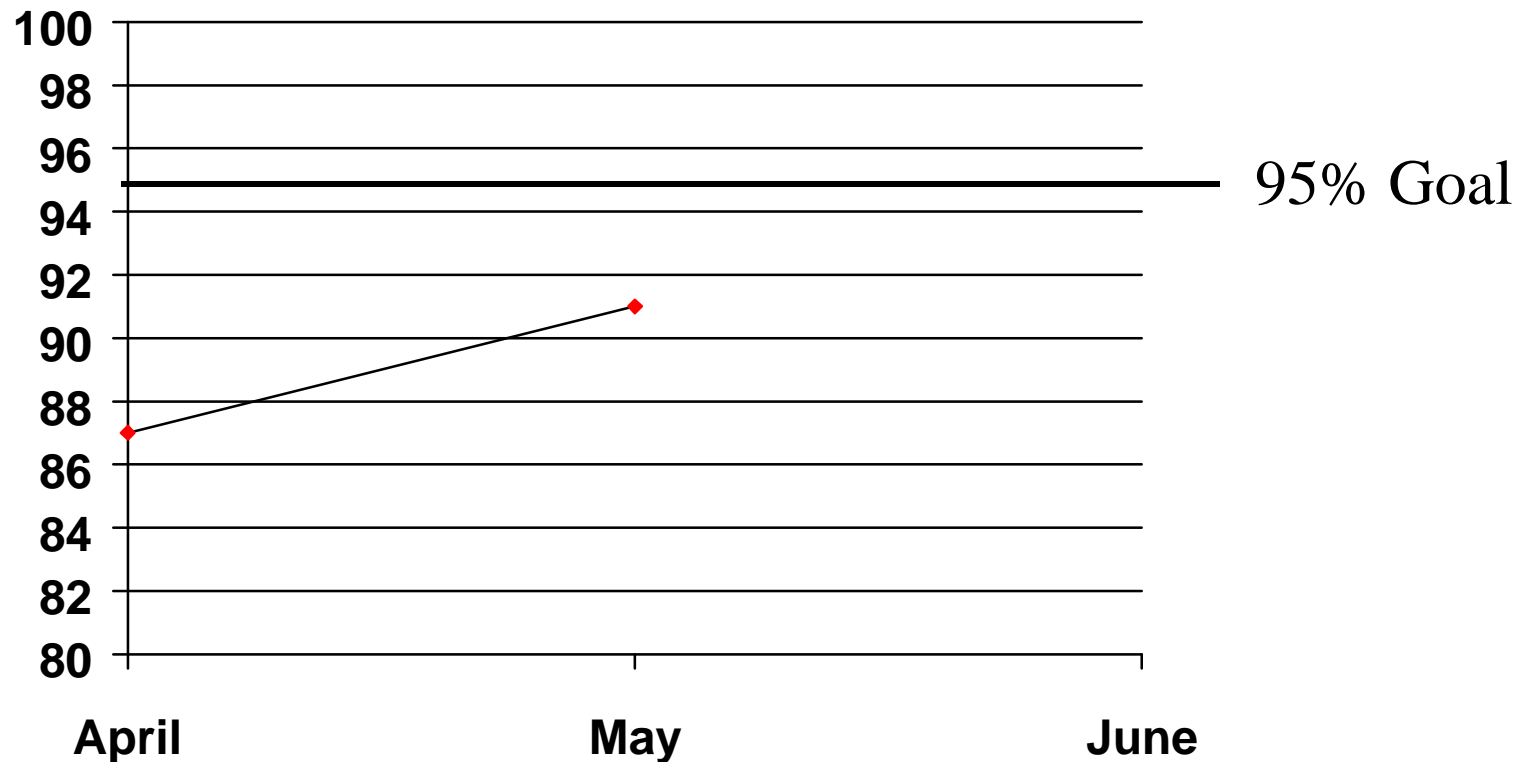


Performance Task 3.1.4.2

Maintain monthly PLAS usage at 95%

STATUS: Yellow

FY97 GOAL: 95%





Performance Task 3.1.4.2

Maintain monthly PLAS usage at 95%

STATUS: Yellow

FY97 GOAL: 95%

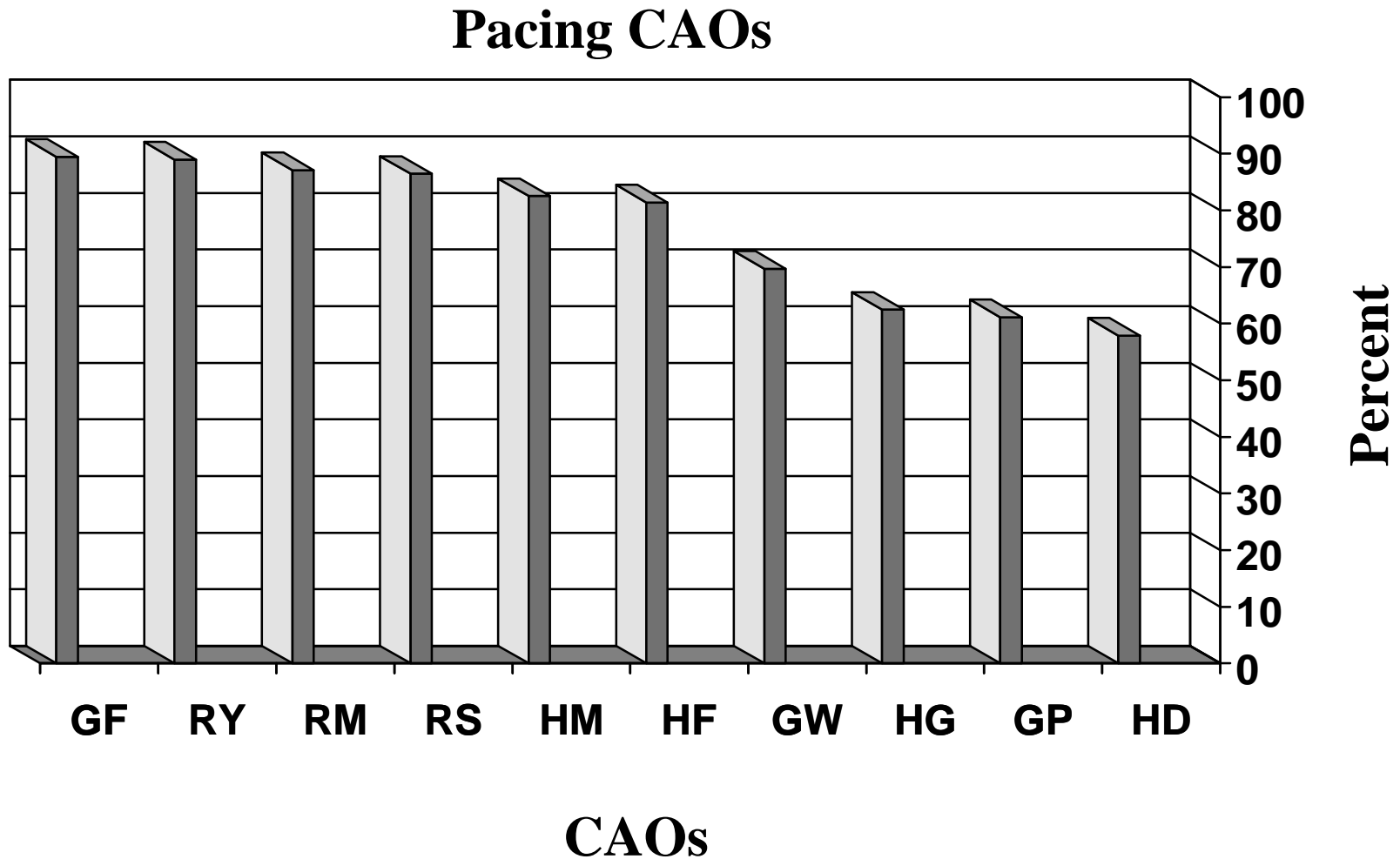
Comments:

- DCMDW overall rate - 91.07%
 - Last Month Rate - 87.63%
- 18 activities below 95% goal



Performance Task 3.1.4.2

Maintain monthly PLAS usage at 95%





Performance Task 3.1.4.2

Maintain monthly PLAS usage at 95%

Corrective Action Taken:

- Removed 90% of test activities and associated inactive accounts from main database
- Removed “xx_admin” accounts from usage equation
- Lesson Learned, a revoked account is not an inactive account
- District PLAS administrator maintains frequent contact with CAO PLAS administrators



GOOD NEWS

DCMC OFFICE

DESCRIPTION

DCMC-Twin Cities

P.G. 2.1.7-Metrics Challenge

DCMC-Denver

**Established Risk Assessment
Index for Overhead Rate
Settlement**

DCMC-Phoenix

**Guest Speaker for National
Contract Management
Association**

(DCMDW)

DCMC

Monthly Management Review

DCMDI



DCMDI

Resource Management

July 15, 1997





Resource Management

May 97 data

DCMDI

Business Performance Metric

Intl

Budget Execution

Total

Yellow

Direct

Red

Reimbursable

Red

Personnel

Full Time Equivalent Execution

Yellow

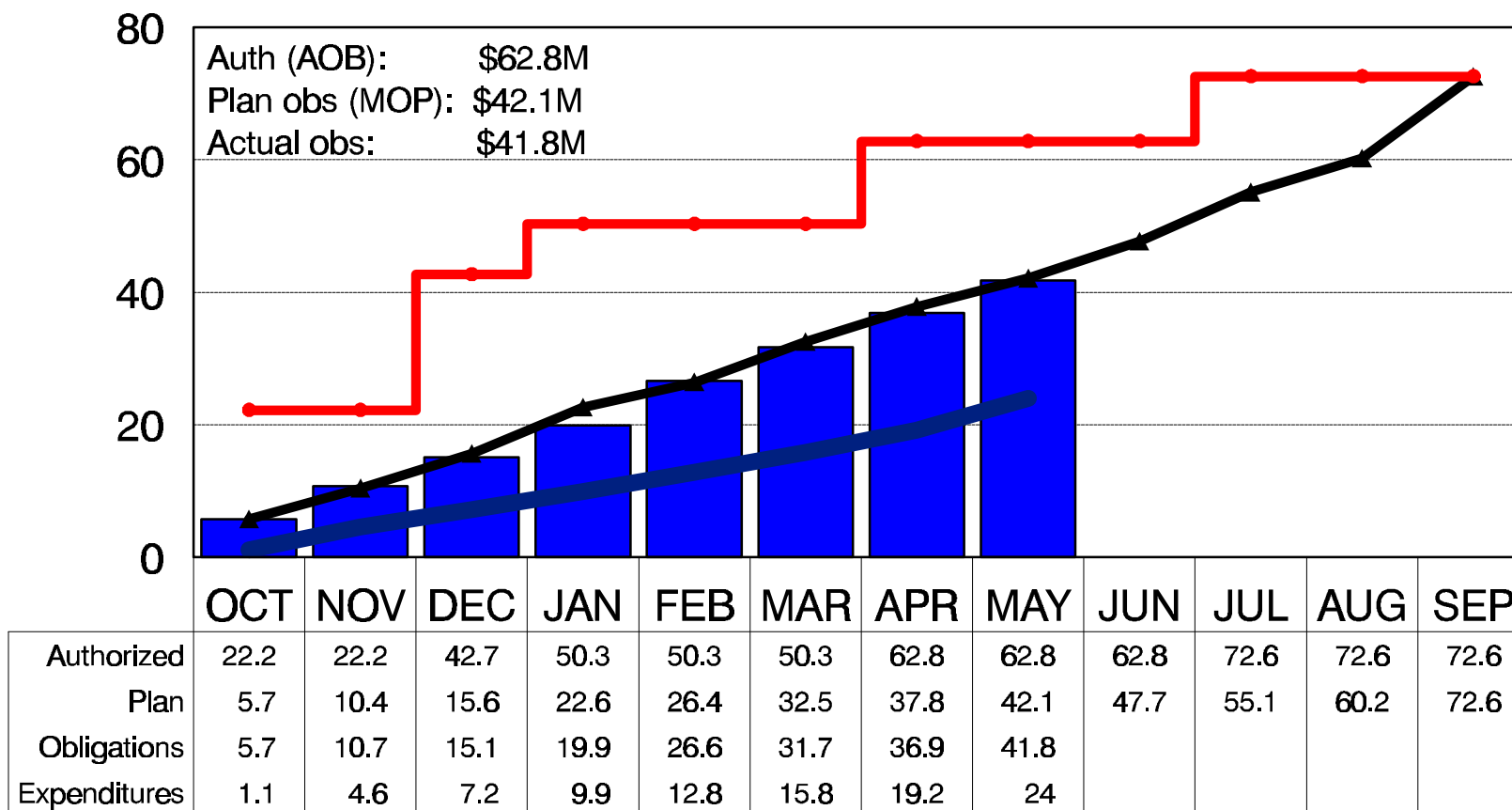
DCMDI Resource Management

FY 97 Total Execution

(Includes Centers)

Status: Yellow

Millions of dollars



Obligations/plan 99.3%

—●— Authorized —▲— Plan ■ Obligations — Expenditures



DCMDI Resource Management

FY 97 Total Execution

Status: Yellow



Comments: (as of 31 May 97)

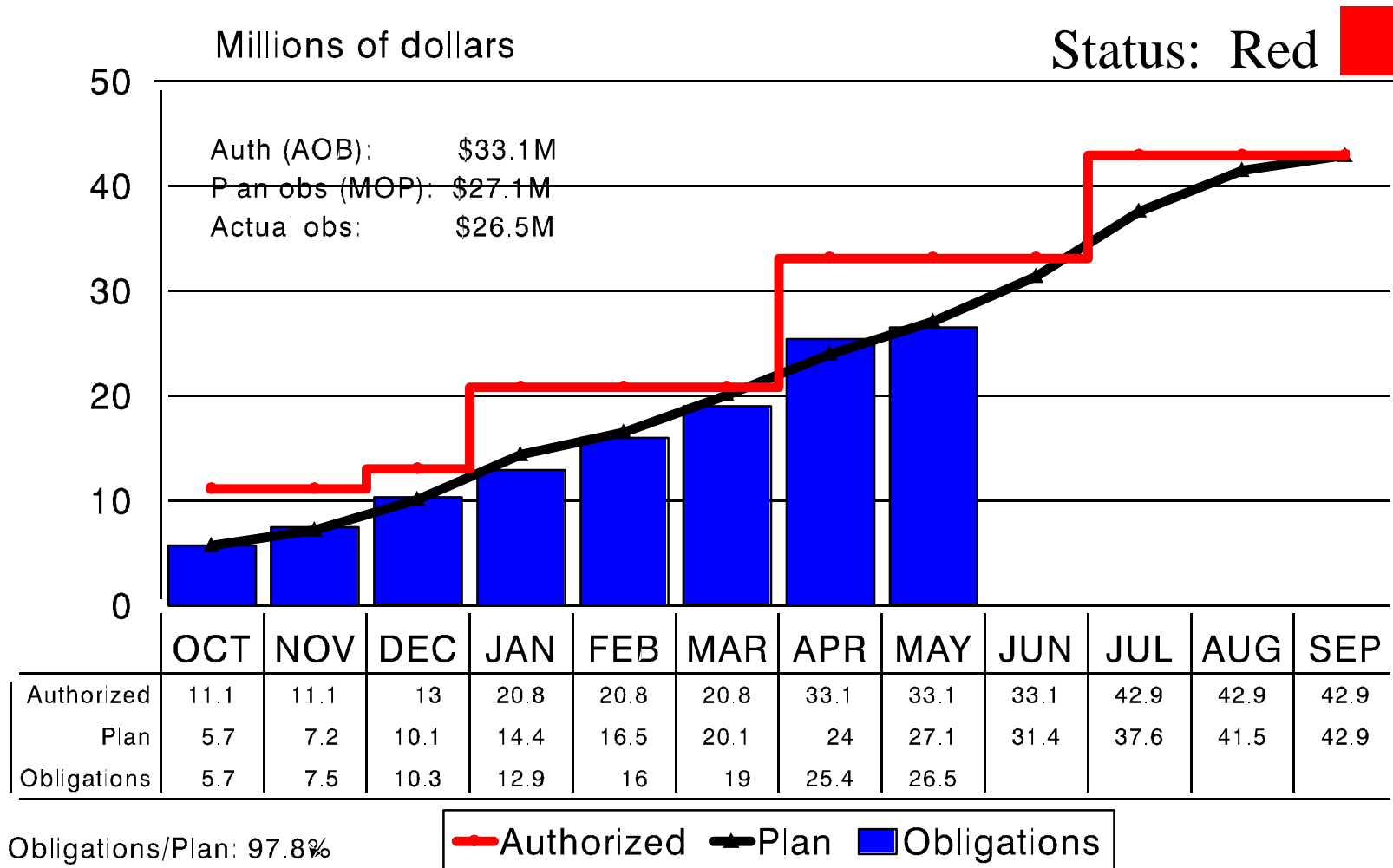
\$300K under obligation to plan due to the under obligation of direct by \$600K and the over obligation of reimbursable authority by \$300K

Actions taken:

See Total Direct and Reimbursable Execution slides

DCMDI Resource Management

FY 97 Direct Execution





DCMDI Resource Management

FY 97 Direct Execution

Status: RED ■

Comments: (as of 31 May 97)

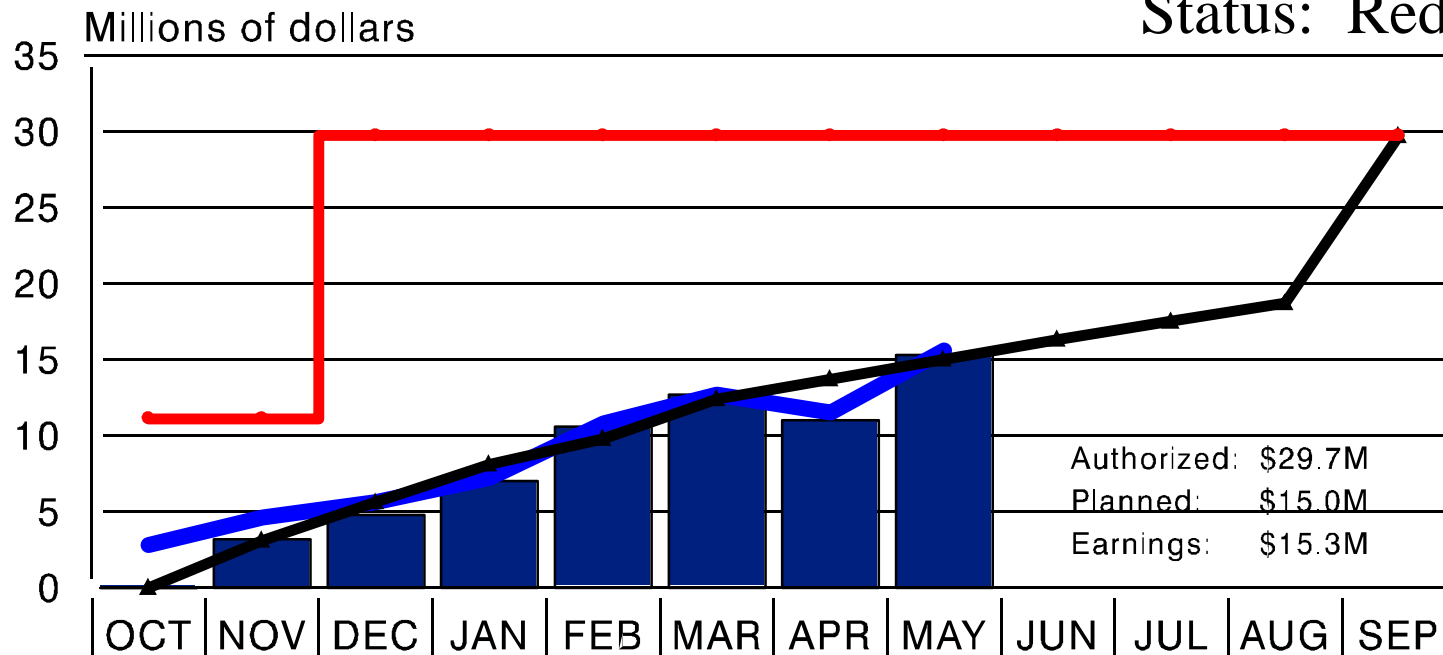
\$600K under execution in direct. Direct is \$600K under execution to plan due to non-obligation of 1st and 2nd qrtr comm (OC23.20) billing of \$300K, and the under execution of labor dollars

Actions taken:

Info copy of the Long-haul comm bill rcvd in Mar and should have appeared in Apr obs. Working with FOB to locate actual billing in DFAS-CO.

DCMDI Resource Management FY 97 Reimbursable Execution

Status: Red



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Authorized	11.1	11.1	29.7	29.7	29.7	29.7	29.7	29.7	29.7	29.7	29.7	29.7
Plan	0	3.1	5.6	8.1	9.8	12.4	13.7	15	16.3	17.5	18.7	29.7
Obligations	2.8	4.6	5.6	7.2	10.8	12.7	11.5	15.6				
Earnings	0	3.2	4.8	7	10.6	12.7	11	15.3				

Earnings/Plan: 102.0%

— Authorized — Plan — Obligations ■ Earnings



DCMDI Resource Management

FY 97 Reimbursable Execution

Status: RED ■

Comments: (as of 30 April 97)

\$300K over execution (Earnings to Plan). Over obligation is due to PCS and other nonlabor execution

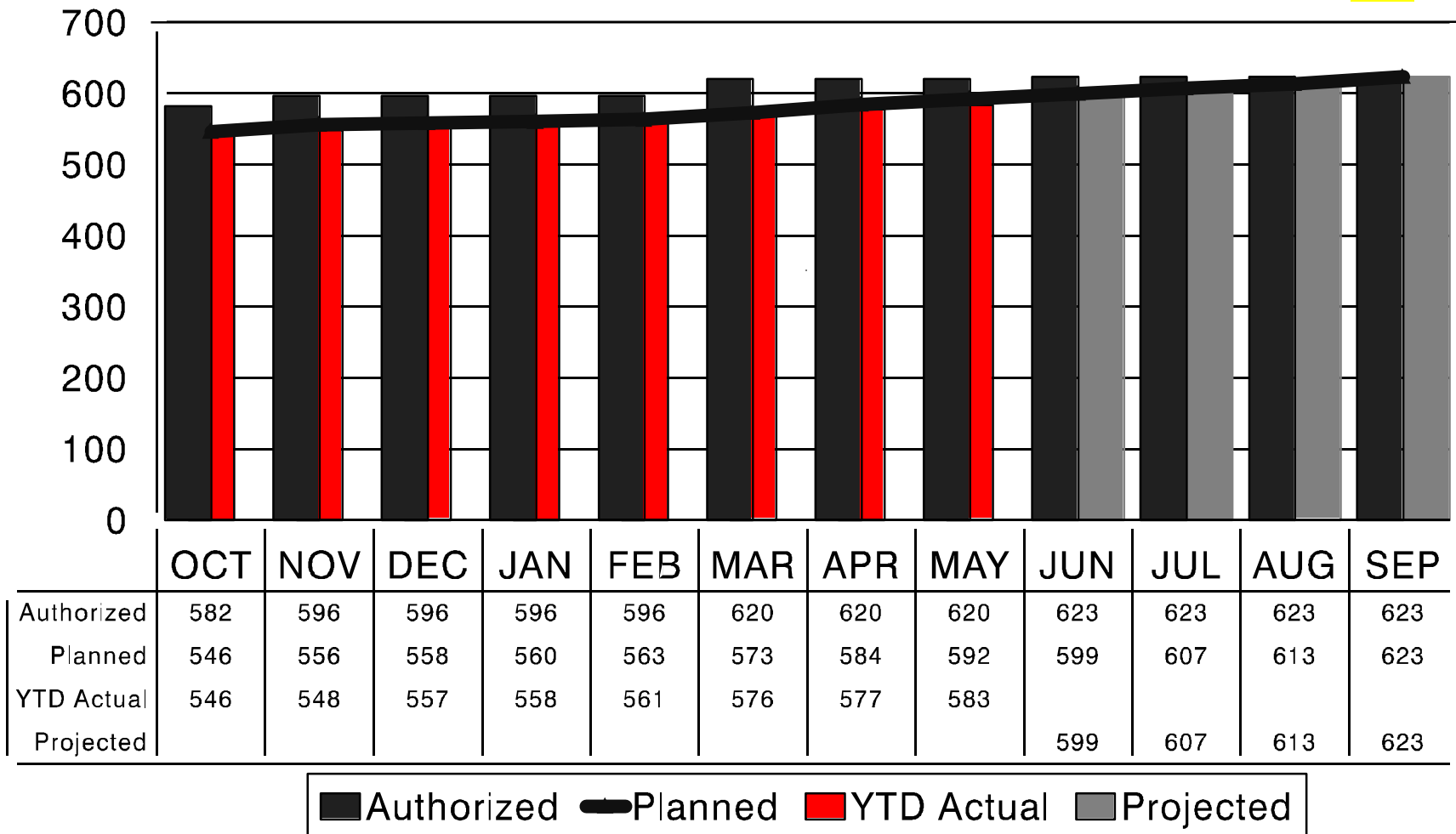
Actions taken:

None.

FY97 DCMDI FTE Execution

a/o 31 May 1997

Status: Red



Actual/Plan: 98 %

FTEs Execution

A/O 31 May 97

Status: YELLOW



FY97 FTEs GOAL = 623

Comments:

- o Actual 583 vs plan 592, variance of -9
- o We plan to execute 620 of the 623 FTEs for FY97.

DCMDI

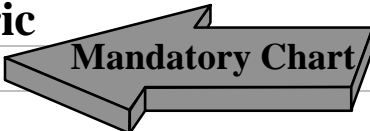


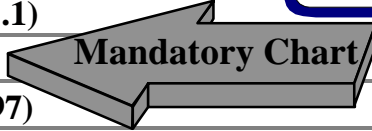
Mission Performance

July 15, 1997





DCMDI Mission Performance

Performance Metric	DCMC	East	West	Int'l
1. Right Item - Conforming Items (3.7.1.3)				NR
• Design Defects (3.10.1 and 3.10.1.1)				Green
• Packaging Discrepancies (3.4.1) (begin 4Q 97)				NR
• Adopted Software Recommendations (3.10.1.6)				Green
2. Right Time - On Time Contractor Delivery (3.7.1)				NR
• Customer Priority List (CPL) Coverage (3.7.2)				Green
• Engineering Change Cycle Time (3.10.2.2)				Yellow
• Schedule Slippage's on Major Programs (3.12.2.1) (begin Jun 97)				NR
• Shipping Document Cycle Time (3.5.2) (begin 2Q97)				NR
3. Right Price - Cost Savings & Avoidances (1.4.1)				NR
• ROA on Property from Plant Clearance (4.3.1)				Green
• Negotiation Cycle Time (2.2.2)				Green
• UCA Definitization (2.2.2.1)				Yellow
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)				Green
• Open Overhead Negotiations (4.4.1)				Green
• Cost Overruns on Major Programs (3.12.1.4) (begin Jun 97)				NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)				Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)				Green
• Repeat Requests for Early CAS (1.2.3.1)				Green



DCMDI Mission Performance (Con't)

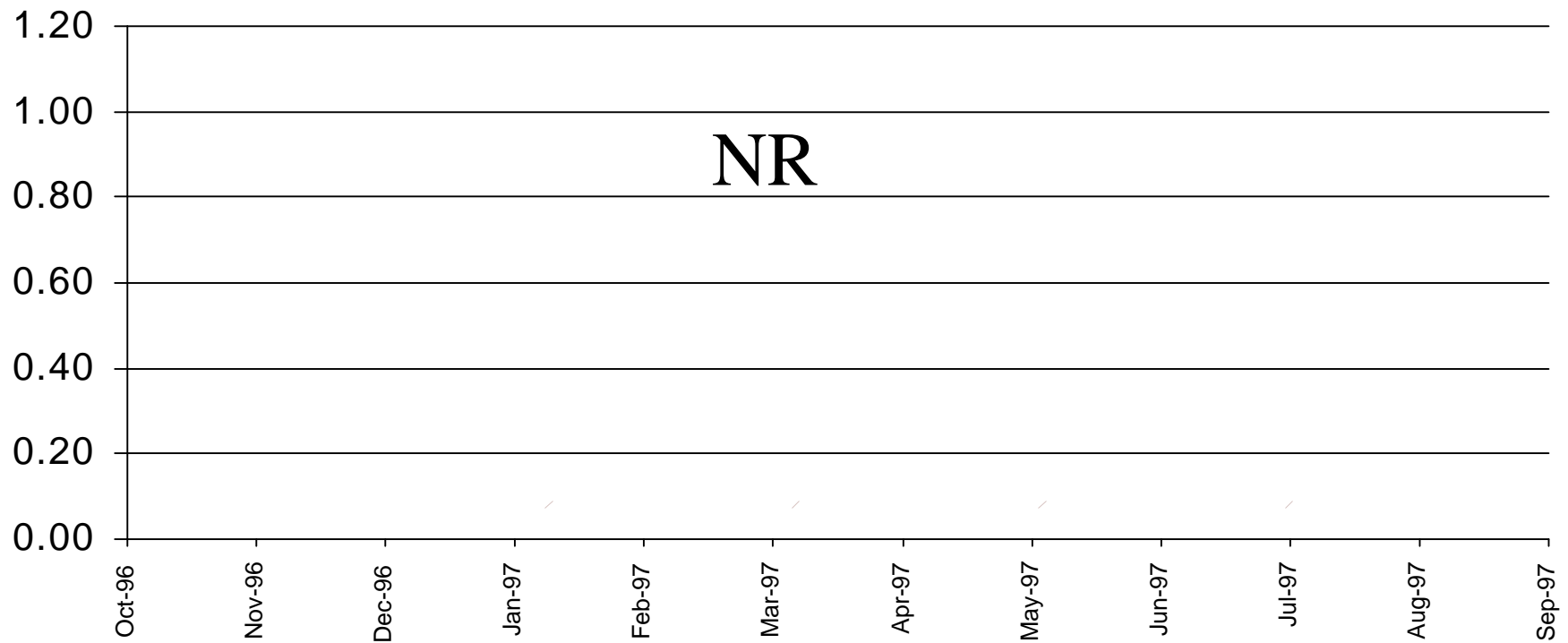
Performance Metric	<u>DCMC</u>	<u>East</u>	<u>West</u>	<u>Int'l</u>
• % Contractors on Contractor Alert List (CAL) (2.1.1.2) (begin 3Q97)				NR
• Single Process Implementation (2.1.2)				Green
• Preaward Survey Timeliness (2.1.2)				Green
• Amount of DoD Property (3.2.1.1)				NR
• Excess Property (3.2.1.2)				Green
• Delay Forecast Coverage (3.7.1.1)				NR
• Delay Forecast Timeliness (3.7.2.1)				NR
• Delay Forecast Accuracy (3.7.1.2)				NR
5. Right Reception - Customer Satisfaction (3.11.1.1)				Green
• Service Standards (1.3.1) (begin 2Q97)				NR
• Trailer Cards (3.11.1.2)				Green
6. Right Efficiency - Contracts per FTE (1.1.8)				NR
• Contract Closeout (4.2.2.2)				Green
• Canceling Funds (TBD) (begin Mar 97)				Green
• Termination Actions (4.1.2) (begin Mar 97)				Yellow
7. Right Talent - Training Hours (1.8.1)				Green
• DAWIA Certification (1.8.1.2)				Green
• Course Completion (1.8.1.1)				Green
• Training Quota Usage (1.8.1.3)				Green





Right Item Conforming Items

[Mandatory Chart]



Business Plan Reference: 1.2.1.1



Right Item

Conforming Items

[Mandatory Chart]



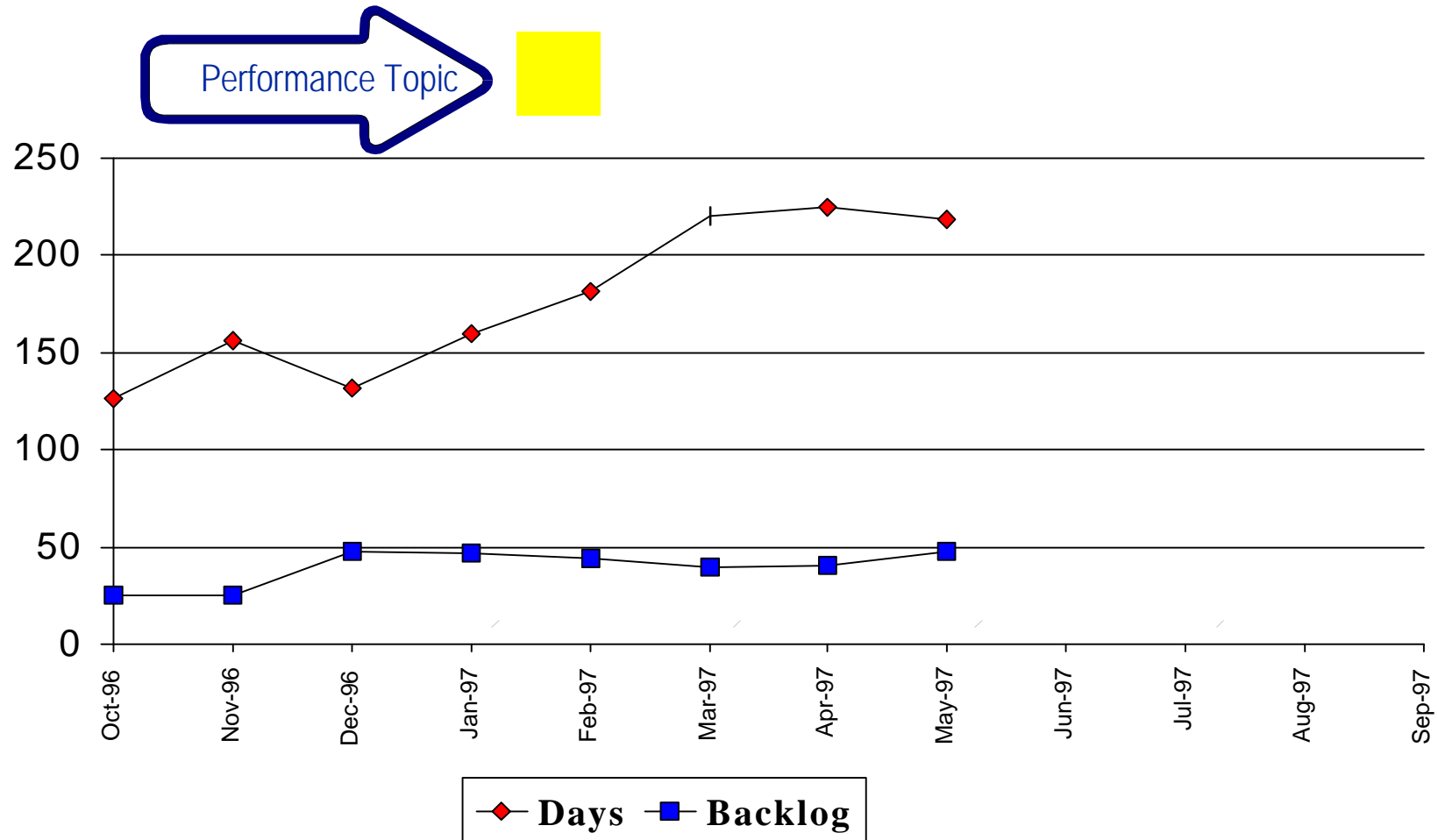
- NR. This data is being collected by DCMC. No action for Int'l District or CAOs at this time.

Business Plan Reference: 1.2.1



Right Time

Engineering Change Cycle Time (Contractor Submission to PCO Disposition)





Right Time

Engineering Change Cycle Time

(Contractor Submission to PCO Disposition)

Status: Yellow

Class I ECP backlog is defined as those without a PCO Disposition Date in the ACTS. Chart reflects Class I ECPs without a PCO Disposition Date and the average age of those.

DCMC Americas has a backlog of 10 ECPs (98 days)

DCMC NE has a backlog of 38 ECPs (250 days)

The high backlog in NE is driven by Rolls Royce & BAe.

Rolls Royce forwards their RCPs (Request for Change Proposal) to McAir St. Louis, adding more time to the process (Prime/Sub relationship). The two main programs are AV-8B and T-45 accounting for 25 of the 38.

BAe has 13 ECPs in backlog status and are awaiting disposition at NAVAIR.

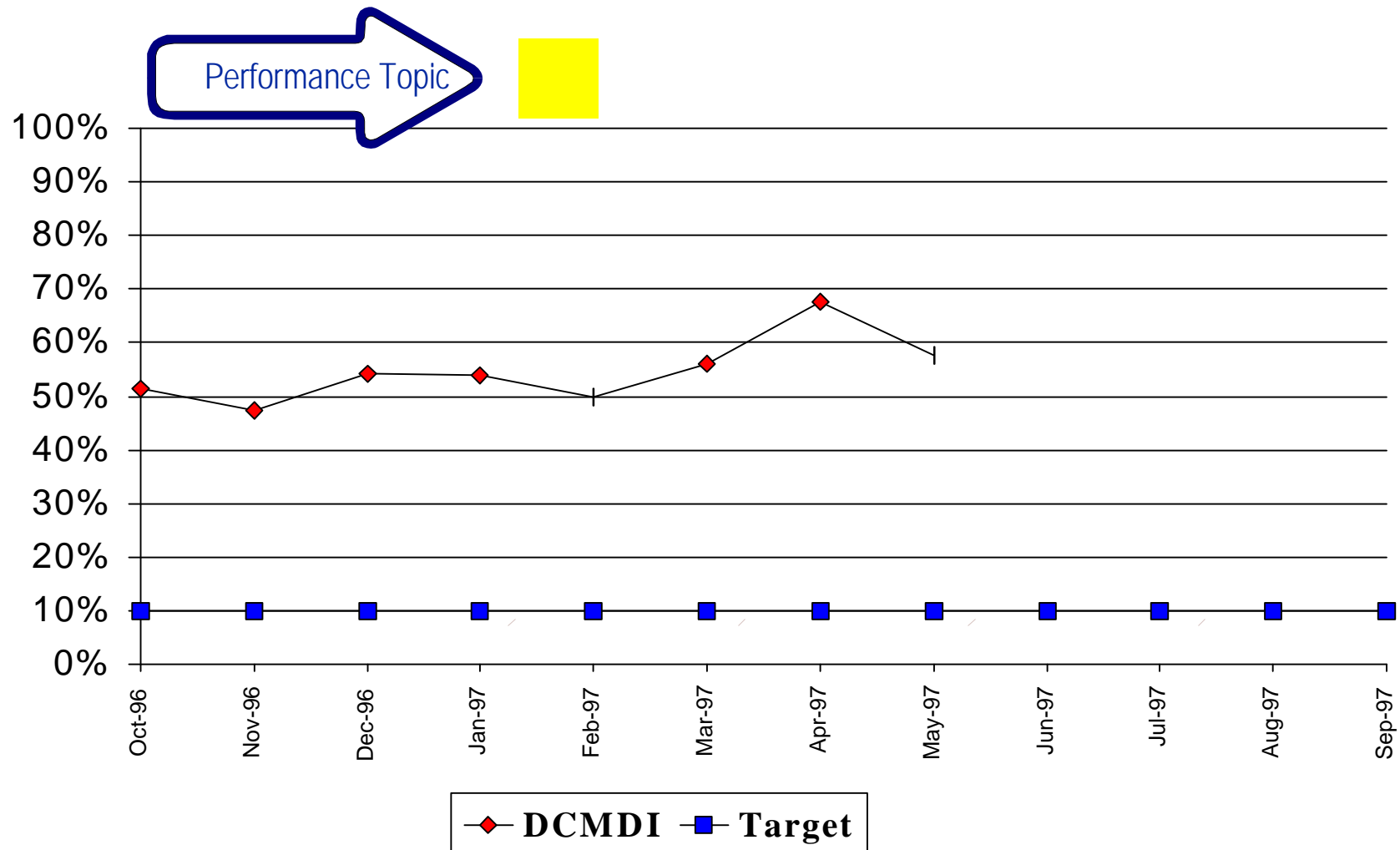
NAVAIR has responded that they do not have the budget to incorporate these T45 ECPs but wish to keep them open till funds are made available.



Right Price

UCA Definitization

(UCAs >180 Days / UCAs On-Hand)



Business Plan Reference None



Right Price

UCA Definitization

(UCAs >180 Days / UCAs On-Hand)

Status: Yellow

Comments: (Goal is 10%) - May

Apr 97 # of UCAs (117) > 180 days (79)

May 97 # of UCAs (106) > 180 days (61)

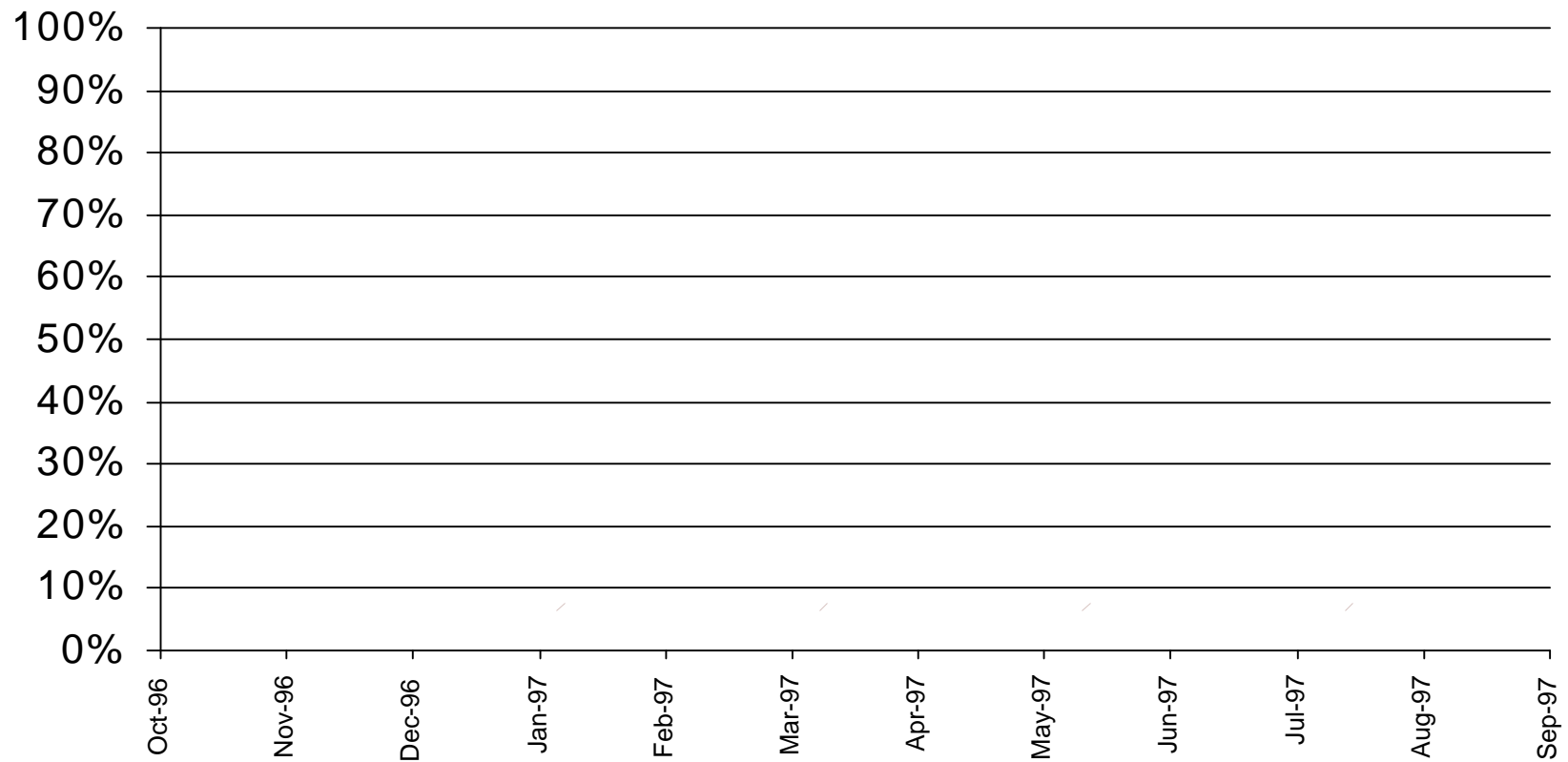
- An overall decrease in the % from 68% in Apr to 58% in May due to closing of 18 overage UCAs
- Total # open UCAs decreased from 117 in Apr to 106 in May (delta 11)
- Total # overage UCAs decreased from 79 in Apr to 61 in May



Right Price

Open Overhead Negotiations

[Mandatory Chart]



Business Plan Reference: 4.4.1



Right Price

Open Overhead Negotiations

[Mandatory Chart]



Green: DCMDI has no contracts with open overhead years under a cost monitoring program. Data will likely remain the same during FY 97.

Business Plan Reference: 4.4.1

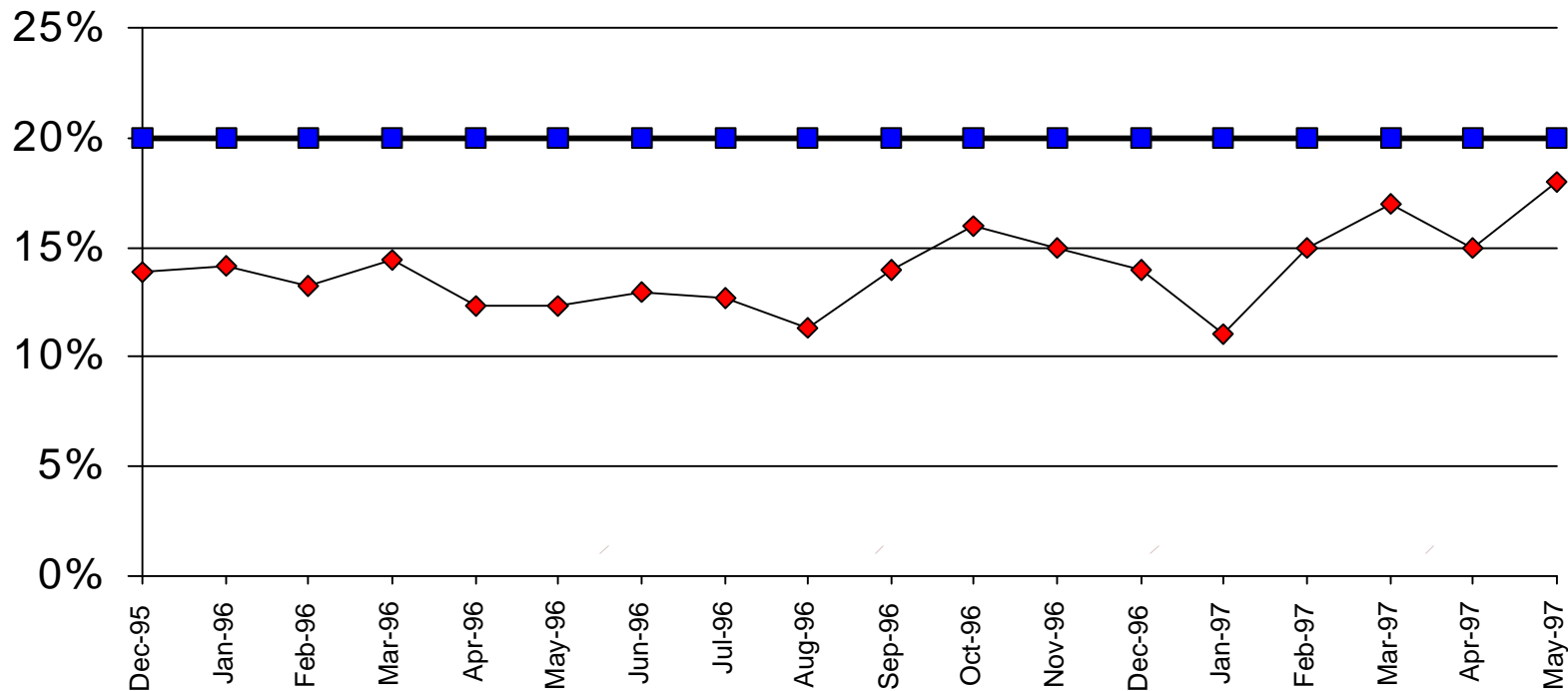


Right Efficiency

Contract Closeout

[Mandatory Chart] ✓

(Contracts Overage / Contracts Awaiting Closeout)



Business Plan Reference: 1.3.1

Champion: Joyce Ard



Right Efficiency

Contract Closeout

[Mandatory Chart]



(Contracts Overage / Contracts Awaiting Closeout)

This chart gives the number of overage contracts overaged contracts (306) divided by the number of contracts awaiting closeout (1,725) or 18%.

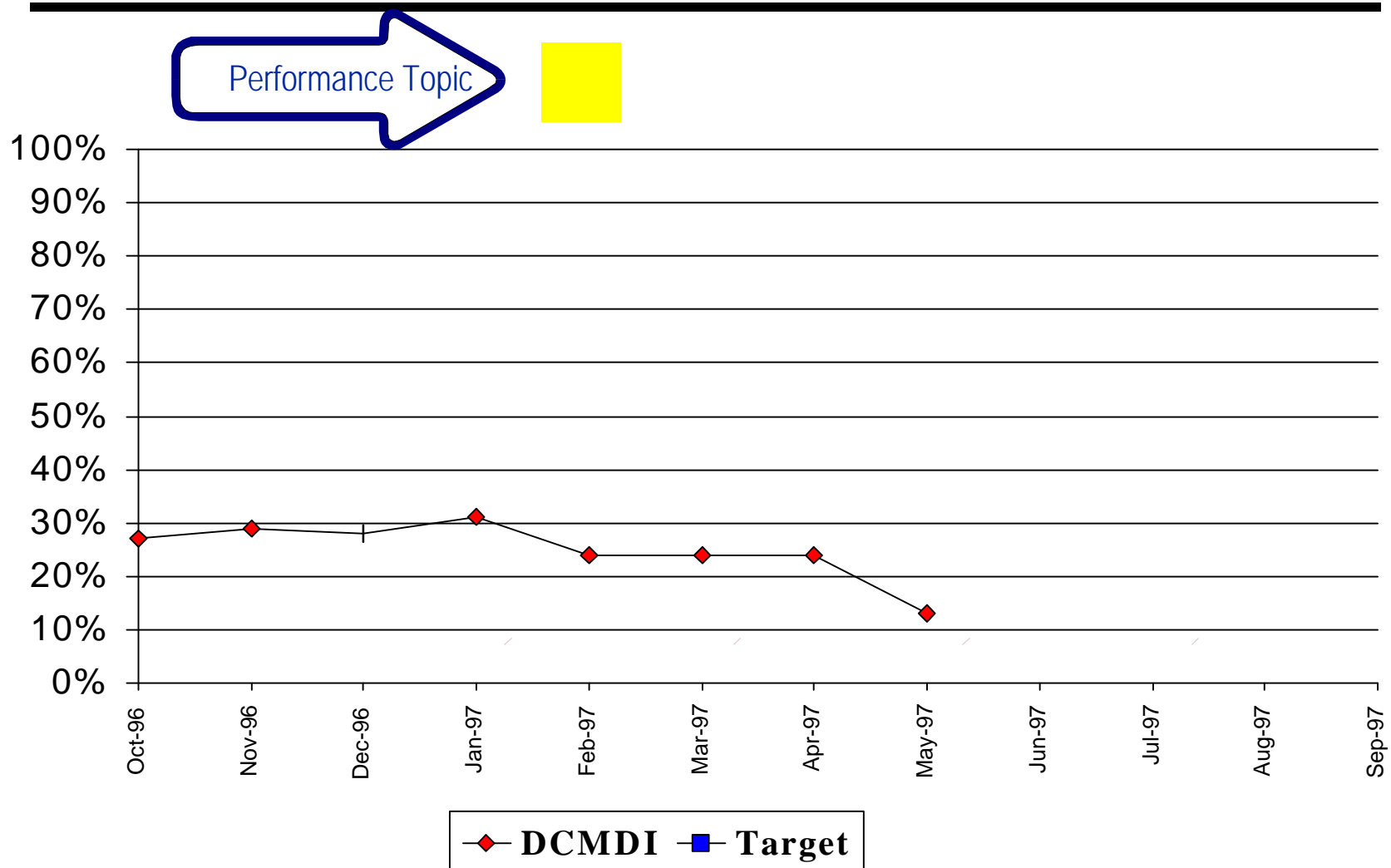
Business Plan Reference: 1.3.1



Right Efficiency

Termination Actions

(Dockets Overage / Total Dockets)



Business Plan Reference None



Right Efficiency

Termination Actions

(Dockets Overage / Total Dockets)

Status: Yellow



- 31 Dockets; 4 Overage (> 2 Years)
- N Europe has 15 Dockets; 1 Overage Docket
- S Europe: Has 1 Overage Docket.
- Americas has 14 Dockets; 2 Overage Dockets
 - CCC (Canada) Management Council working to shorten processing cycle time.
 - Puerto Rico T4C settlement reached. Mod pending DPSC finalize warranty issue.

DCMDI

Performance Improvement

July 15, 1997



DCMDI Performance Improvement

1997 Business Plan - Performance Goals		Int'l
1.1.1	Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS CHALLENGE) (briefed under Mission Rights)	Green
1.2.1	Increase the percentage of items (source inspected) conforming to product specifications (Right Item under Mission item #1)	Green
1.2.2	Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule (Right Time under Mission item #2)	N/R
1.2.3	Increase overall DCMC ROI by 10% over the FY 96 baseline (Right Price under Mission item #3)	Green
1.3.1	Continually improve all facets of the contract close-out process (Targets=Less than 5%/20% overage contracts for those with/without canceling funds respectively (Right Efficiency under Mission item #6A)	Green
2.1.1	Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites	N/A
2.1.2	Establish/maintain/improve surveillance process to sense/satisfy customer needs (DELIVERY DELINQUENCIES CHALLENGE) (Right Time under Mission items # 2A-2G)	N/A
2.1.3	Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century	N/A
2.1.4	Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS CHALLENGE)	Green

DCMDI Performance Improvement (Con't)

1997 Business Plan - Performance Goals

Int'l

2.1.5	Continually improve/enhance organization & processes that deliver quality products/services (INTERNAL PROCESS CHALLENGE)	Green
2.1.6	Support info technology initiatives by deploying 90% of projects in the ARM plan on schedule (INFORMATION TECHNOLOGY CHALLENGE)	NR
2.1.7	Develop/deploy small quantity of outcome-oriented performance measures which best	Green
2.1.8	Package DCMC-wide data for the customer in a comprehensive, timely, and user-friendly manner (PACKAGING DCMC DATA CHALLENGE)	Green
2.2.1	Use the results of Performance Based Staffing Assessment to better structure and utilize the workforce	Green
2.3.1	Improve mission and support processes by conducting USA and management control reviews; incorporate areas for improvement into the planning process	Green
2.3.2	Assess organizational performance through the accomplishment of 30 IOAs during FY 97	N/A
2.3.3	Continue those benchmarking projects started in FY 96	N/A
2.3.4	Explore the use of Alternate Oversight approaches and other methods to enhance operational efficiency at various CAO locations	N/A
2.3.5	Refine Internal Assessment (INTERNAL ASSESSMENT CHALLENGE)	N/A

DCMDI Performance Improvement (Con't)

1997 Business Plan - Performance Goals

Int'l

3.1.1 Reduce facilities costs - bring footage of office space into compliance

NR

with DLA standard - move offices from leased space into DoD space

3.1.2 Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide

Green

3.1.3 Increase civilian supervisory ratio to 13:1

Green

3.1.4 Implement Unit Cost Management (UNIT COST MANAGEMENT)

Yellow

3.2.1 Develop and implement an integrated planning, programming, budgeting,
execution, and assessment management system.

Green

3.3.1 Improve work environment to enhance employees' well being, productivity

Green

4.1.1 Maintain overall customer satisfaction level greater than 4.0

Green

(Right Reception under Mission item #5B)

4.1.2 Field activities continue to solicit customer satisfaction information

Green

via Trailer Cards (Right Reception under Mission item #5C)

4.2.1 Implement risk management in the reimbursable budget process and improve forecasting,
reporting, and billing procedures and processes

Green

5.1.1 Establish, maintain and improve a strategic workforce development

Green

system that addresses current and future skills needed to satisfy customer

requirements (WORKFORCE SKILLS CHALLENGE) (Right Talent under Mission item #7)

5.2.1 Improve labor management relations within DCMC

Green

Action
Item#2

Action
Item #1

Performance Topic

DCMDI Performance Improvement Goal 3.1.3

Increase Civilian Supervisory Ratio

(Obtain a ratio of 13 employees to 1 supervisor)

Status: Green

Action Item #2

Comments:

CONOPs allowed us to meet FY 97 goals.

NOTE: If AQ uses a DBMS inquiry to check this goal for DCMDI the ratio will appear smaller because our Foreign Nationals which are NOT in DBMS.

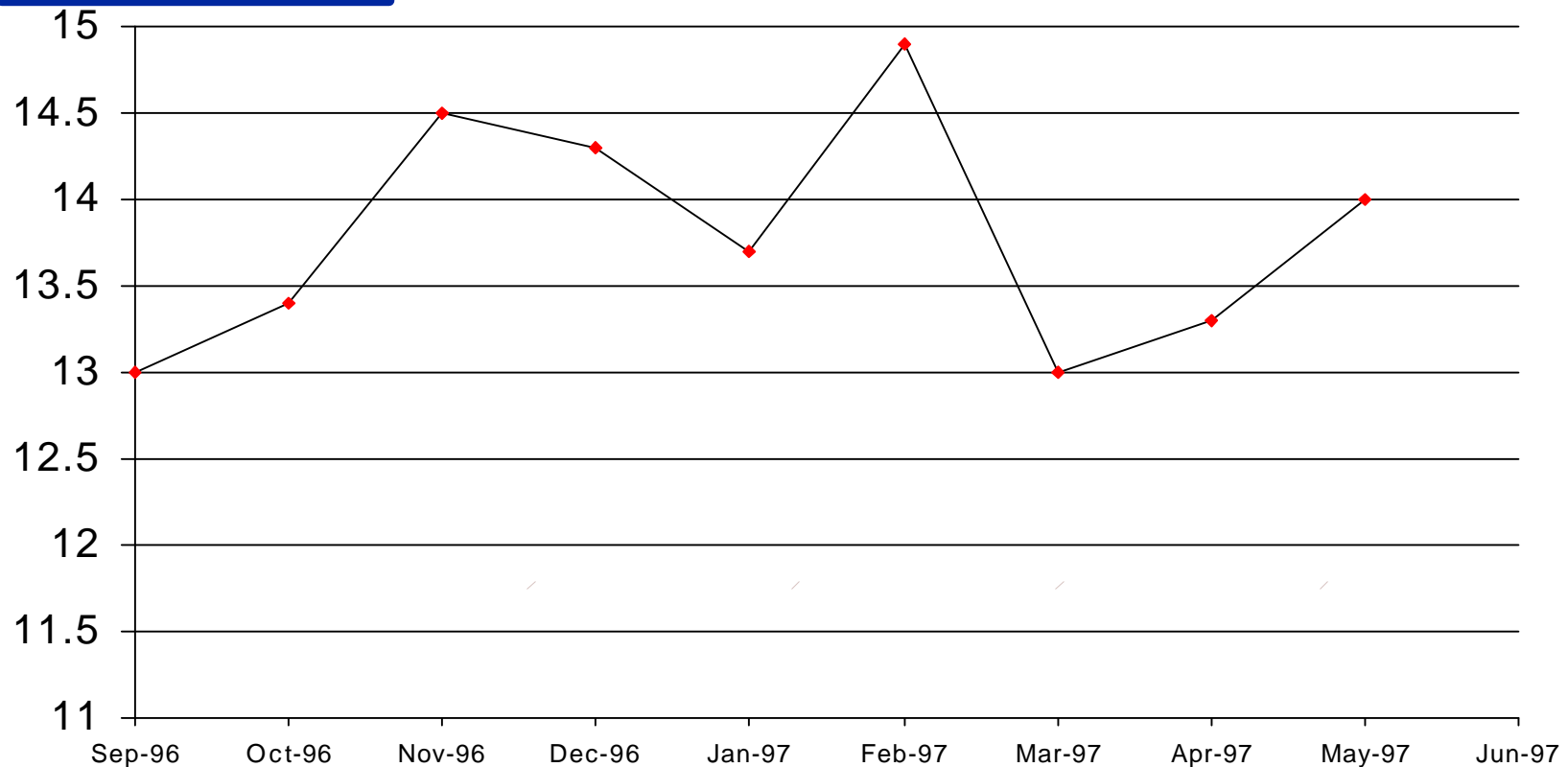
Business Plan Reference: 3.1.3

DCMDI Performance Improvement Goal 3.1.3

Increase Civilian Supervisory Ratio

(Obtain a ratio of 13 employees to 1 supervisor)

Action Item #2



Business Plan Reference: 3.1.3

DCMDI Performance Improvement Goal 3.1.4

Implement Unit Cost Management

Status: Yellow



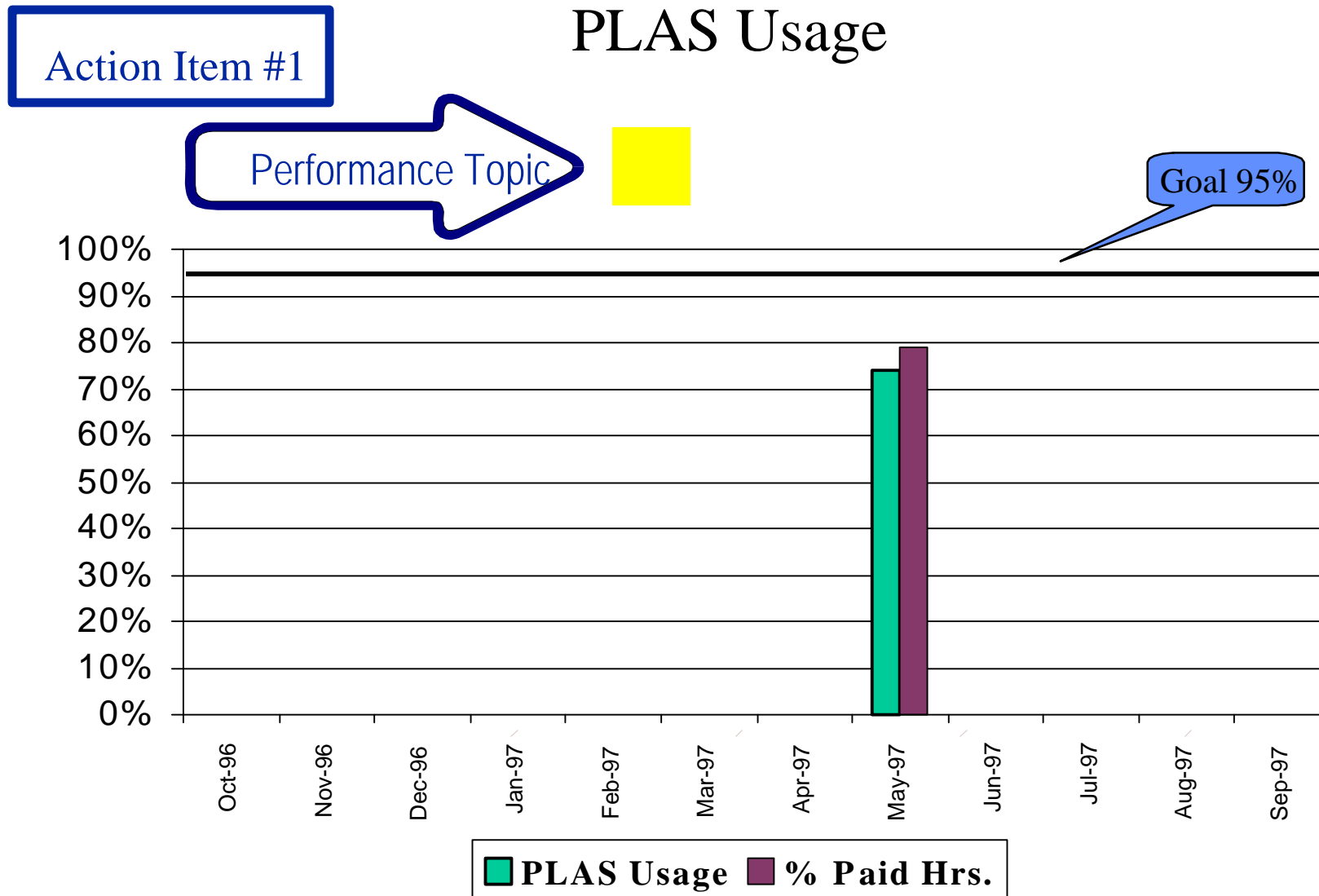
Action Item #1

Comments: ...Achieve and maintain a PLAS usage rate of 95 % ...

- DCMDI expects to achieve the 95 % goal by year end.
- Hardware, connectivity and organizational restructuring issues have been the major impact in the International environment.
- Consolidation of Israel with S. Europe and Puerto Rico with Americas in progress.

Business Plan Reference: 1.2.1

DCMDI Performance Improvement Goal 3.1.4



Business Plan Reference: 3.1.2

PLAS Usage to Hrs Paid

Action Item #1

	Legal Spt	Data Col	Meetings	Other	Paid	PLAS	% of Paid
	196	199	224	500	Hours	Hours	Hours in PLAS
Americas	28	0	230	188.5	12609	7989.5	63.36%
Northern Europe	0	0	208.5	677	17184	14616.5	85.06%
Southern Europe	0	0	265	702	22008	18678	84.87%
Saudi Arabia	157	0	598	526.75	15640	14212	90.87%
Pacific	13.5	0	227.5	189	15895	14072.5	88.53%
District - HD	156	0	50	0	2271	2221.75	97.83%
District - HM	0	0	10	0	2592	2562.5	98.86%
District - HO	0	0	133	123	4208	4114.25	97.77%
District - HX	0	0	28	0	1176	1060	90.14%
District (less Centers)	198.5	0	1529	2283.25	83336	69568.5	83.48%
Assessment Center	0	0	113	16	5771	1805	31.28%
Overhead Center	0	0	10	21	6712	4561.5	67.96%
SPI Center	0	0	0	5	456	128	28.07%
Intern Center							
Centers'	0	0	123	42	12939	6495	50.19%
International Total	198.5	0	1652	2325.25	96275	76063	79.01%
NOTES:							
Americas low due to Puerto Rico is still on Version 6.1. Office is being relocated and when the server is installed, Version 8.02 will be loaded. Expect Puerto Rico to be operational by mid-August.							
Missing hours equate to a total of 3108 hours (18.5 x 168) which would bring Americas up to 88.01%.							
Assessment Center low due to Manassas and Los Angeles employees not being able to access PLAS system							
Chicago is working with us to fix the access problems. Missing hours equate to a total of 3696 hours (22 x 168) which would bring the Assessment Center up to 95.32%.							
PLAS codes 224 and 500 were generally misused. New guidance issued in June on how to code subject specific meetings to applicable direct PLAS codes.							

DCMDI

“Good News”

July 15, 1997



Good News

- DCMDI Completed Performance Based Technical Surveillance Assessment Guide for Contractor/Contract Technical Surveillance Activities.
- Fuels Team DCMC SE receives over 110 PAS requests from the DFSC. Teaming with ACOs, PCOs and DFSC resulted in a solicitation rollup being accomplished identifying multiple contractors at the same sites. This will allowed the QAR and/or Safety Specialist to perform only one visit per site evaluating more than one contractor's operations saving time and TDY funds.
- New Management Council established for OJG convenes in Hungary, and covers the contractor's (Brown & Root) work in Hungary, Croatia and Bosnia. The estimated dollar value of the contract is \$250m.
- Two new full delegations for DCMC Kuwait: Patriot Program from MICOM, and F/A 18 Log from NAVAIR.

DCMC

Monthly Management Review

Headquarters

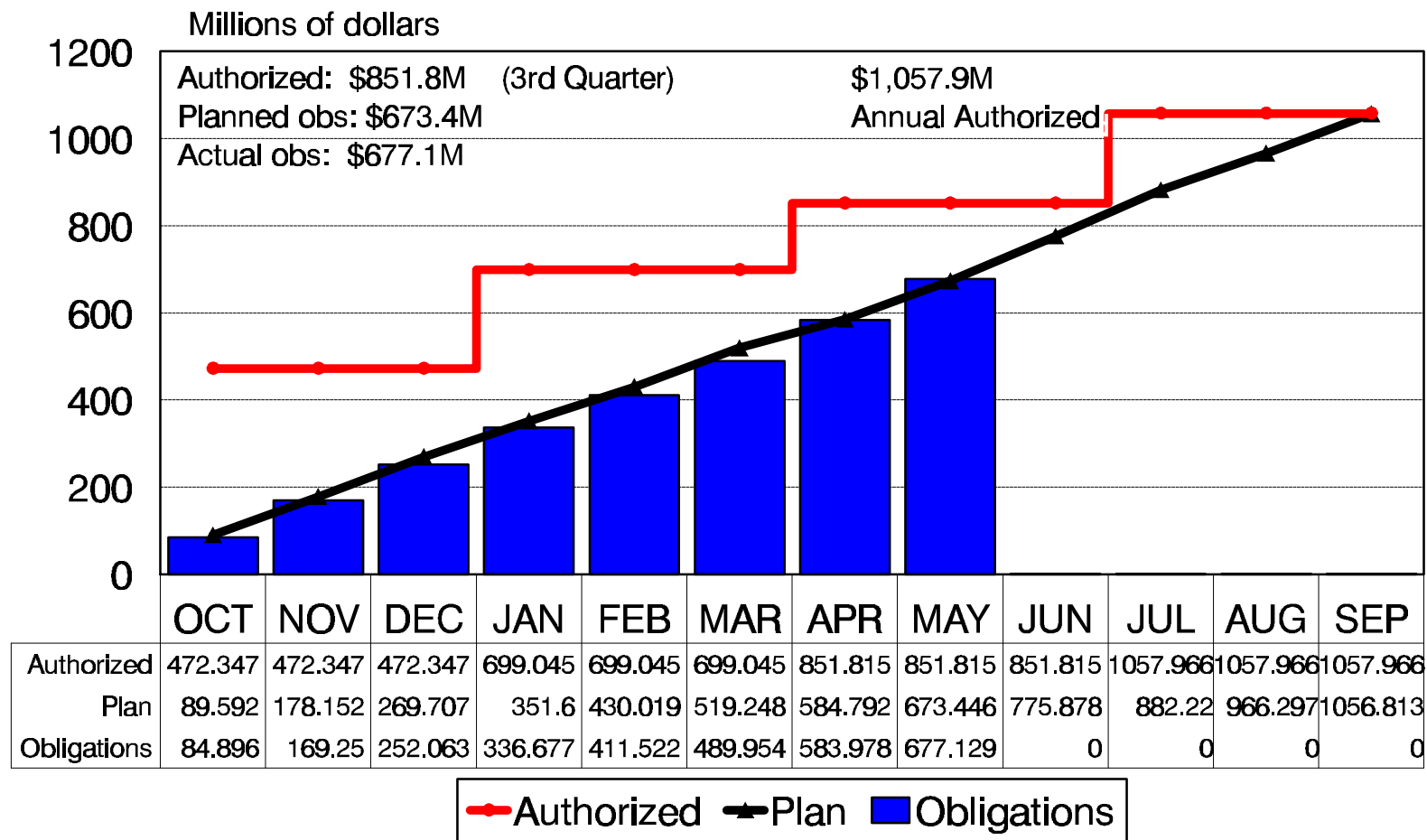




Resource Management

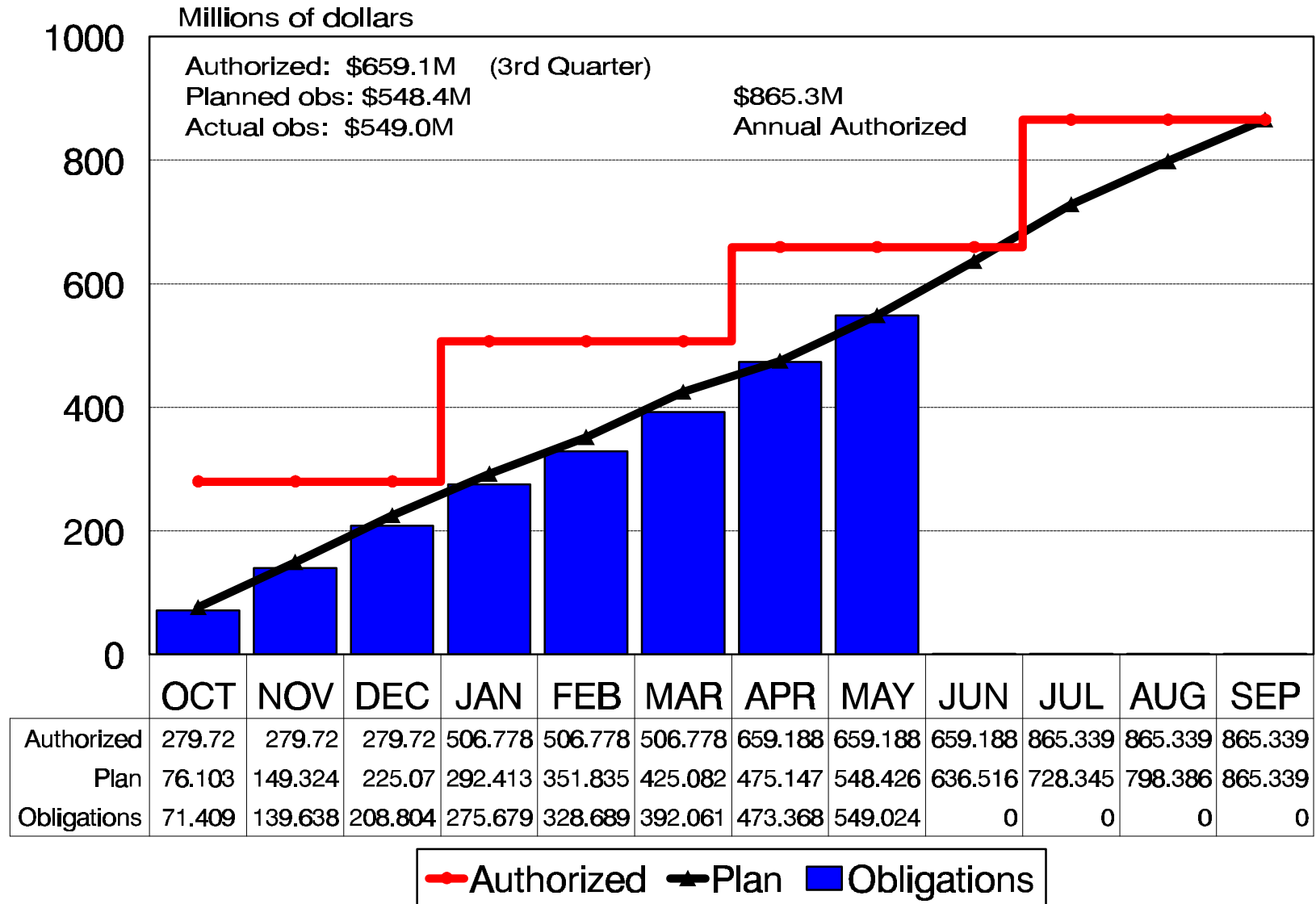
Business Performance Metric	DCMC	East	West	Int'l
• Budget Execution				
• Total	Yellow	Green	Green	Yellow
• Direct	Yellow	Green	Yellow	Red
• Reimbursable	Yellow	Red	Green	Red
• FTE Execution				
• Total	Red	Red	Green	Yellow

DCMC FY 97 Total Execution



Obligations/plan: 100.5%

DCMC FY 97 Direct Execution



Obligations/plan: 100.1%



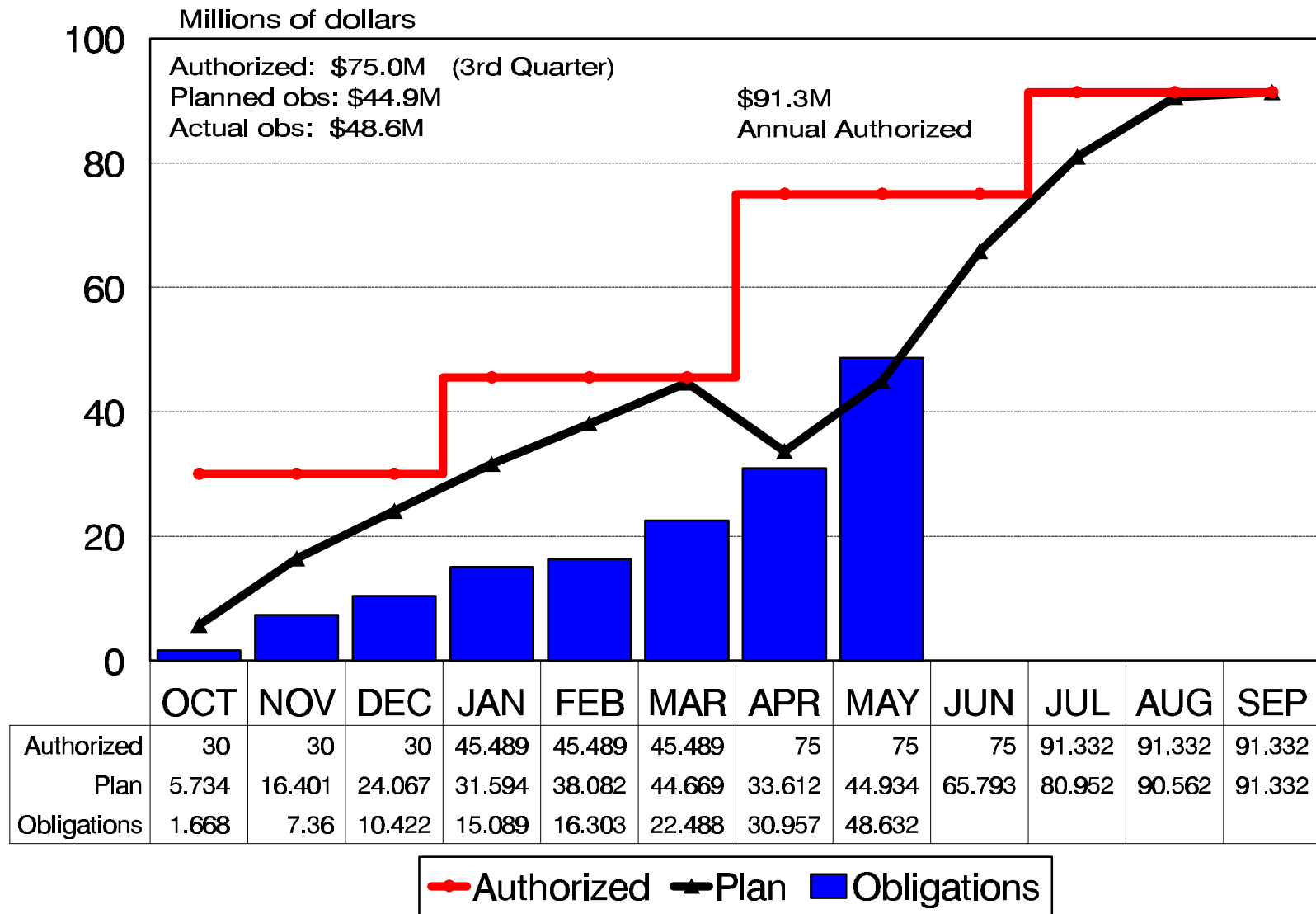
FY 97 Budget Execution

DCMC Direct (As of May 31)

Status: Yellow (100.1%)

- Comments:
 - Fourth quarter reprogramming action in signature process - expect increase to authorization in 2 weeks
 - Reimbursable earning projections require close monitoring to evaluate impact on direct obligations
 - End of year execution plans under development (e.g., FY 98 offsets)
- Corrective Action:
 - Increase monthly analysis during RUC & BPT
 - Input on unfunded requirements due July 25

AQ FY 97 Execution



Obligations/plan: 108.2%



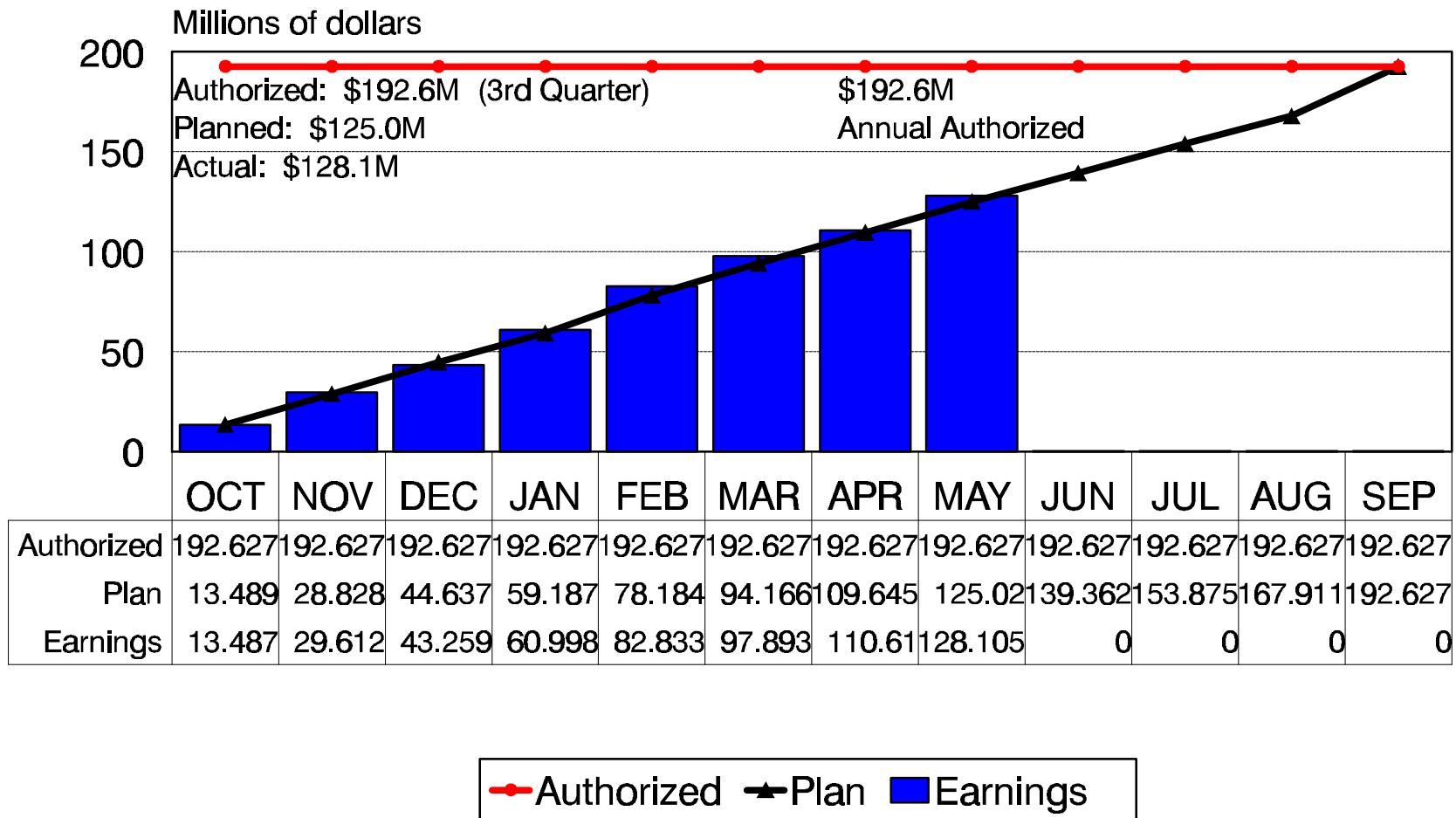
FY 97 Budget Execution

AQ Direct (As of May 31)

Status: RED (108.2%)

- Comments:
 - Potential underexecution of labor and training
 - ADP obligations driving overexecution; however, reflects desired condition
- Corrective Action:
 - Alternative training requirements are being examined
 - Monitor AQ through third quarter, and realign any excess to the Commander's reserve

DCMC FY 97 Reimbursable Execution



Earnings/plan: 102.5%



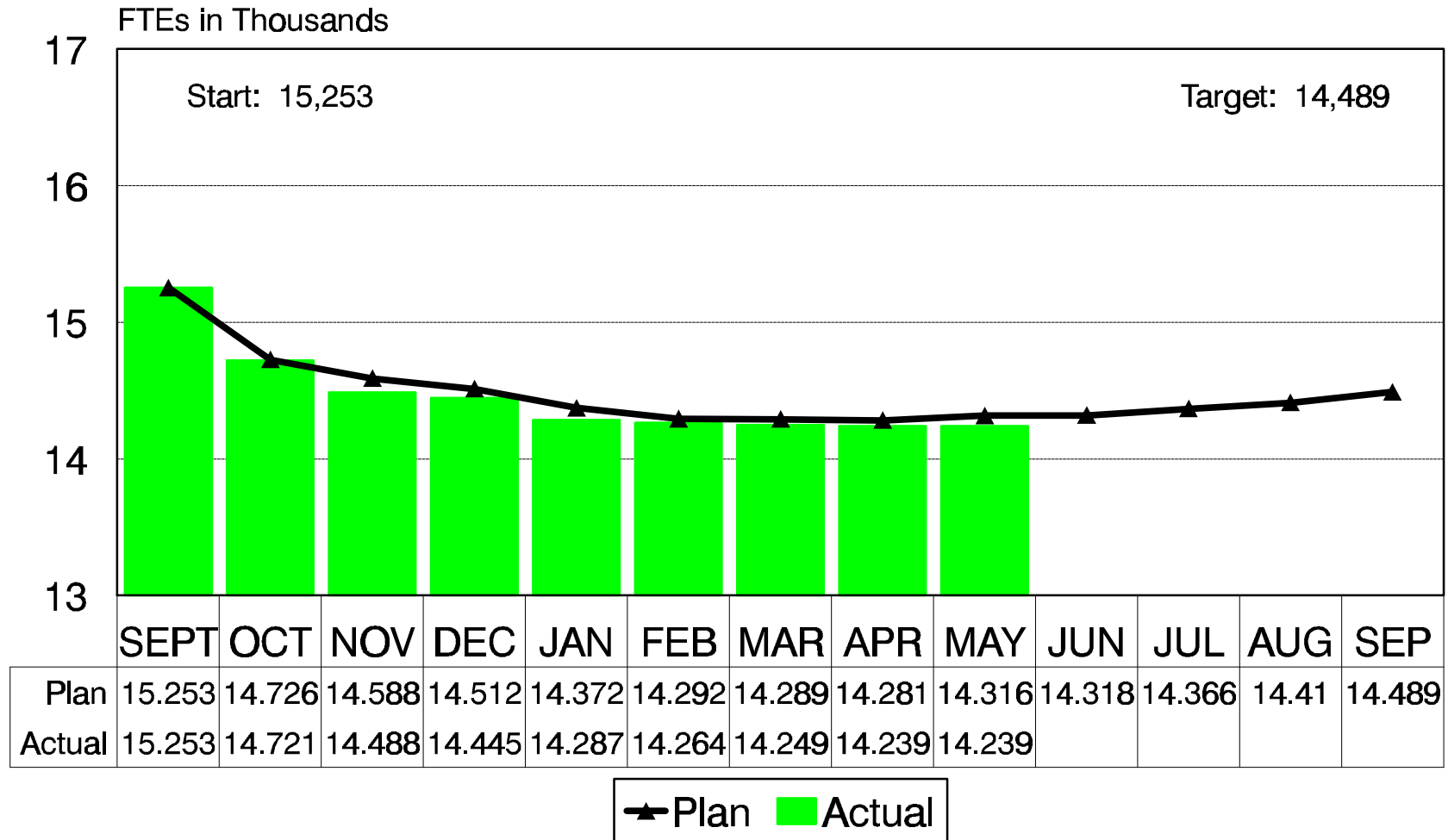
FY 97 Budget Execution

DCMC Reimbursables (As of May 31)

Status: YELLOW

- Comments:
 - DCMDE projects FY under execution of \$3M
 - June data reduces under execution estimate to \$1M
 - DCMDW is over cum plan by \$950K
 - DCMDI earnings to plan is 102%, no impact on direct
- Corrective Action:
 - DCMDE & DCMDW monthly analysis to address impact on direct
 - Under execution requires direct to offset
 - Over execution makes direct dollars available

DCMC FY 97 FTE Execution



Actual/Plan: 99.5%



FY 97 FTE Execution

DCMC Summary (As of May 31)

Status: RED (99.5%)

- Comments:
 - VERA/VSIP losses in early FY 97 are forcing aggressive hiring plans
 - Current execution is -250 below annual allocation
 - (East -82, West -50, Intl -40, AQ -10)
- Corrective Action:
 - Monitor reimbursable FTE execution; consider returning excess FTEs as appropriate
 - Increase review of plans/actuals during BPT/RUC/MMR meetings
 - Districts will hire temporary and summer hire/SIS employees where it makes sense



Mission Performance

Performance Metric	DCMC	East	West	Int'l
1. Right Item - Conforming Items (3.7.1.3)	NR	NR	NR	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green	Yellow	Green	Green
• Packaging Discrepancies (3.4.1)	4Q97	NR	NR	NR
• Adopted Software Recommendations (3.10.1.6)	Yellow	Yellow	Yellow	Green
2. Right Time - On Time Contractor Delivery (3.7.1)	4Q97	NR	NR	NR
• Customer Priority List (CPL) Coverage (3.7.2)	Green	Green	Green	Green
• Engineering Change Cycle Time (3.10.2.2)	Green	Green	Green	Yellow
• Schedule Slippage's on Major Programs (3.12.2.1)	4Q97	NR	NR	NR
• Shipping Document Cycle Time (3.5.2)	4Q97	NR	NR	NR
3. Right Price - Cost Savings and Avoidances (1.4.1)	Red	NR	NR	NR
• ROA on Property from Plant Clearance (4.3.1)	Green	Green	Green	Green
• Negotiation Cycle Time (2.2.2)	4Q97	NR	NR	Green
• UCA Definitization (2.2.2.1)	Red	Red	Yellow	Yellow
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green	Green	Green	Green
• Open Overhead Negotiations (4.4.1)	Red	Red	Red	Green
• Cost Overruns on Major Programs (3.12.1.4)	4Q97	NR	NR	NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Green	Green	Green	Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	Green	Green	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green	Green	Green	Green



Mission Performance (Con't)

Performance Metric	DCMC	East	West	Int'l
• % Contractors on Contractor Alert List (CAL) (2.1.1.2)	1Q98	NR	NR	NR
• Single Process Implementation (1.2.4)	Green	Green	Green	Green
• Preaward Survey Timeliness (2.1.2)	Green	Green	Green	Green
• Amount of DoD Property (3.2.1.1)	Green	NR	NR	NR
• Excess Property (3.2.1.2)	Green	Green	Green	Green
• Delay Forecast Coverage (3.7.1.1)	Nov 97	NR	NR	NR
• Delay Forecast Timeliness (3.7.2.1)	Nov 97	NR	NR	NR
• Delay Forecast Accuracy (3.7.1.2)	Nov 97	NR	NR	NR
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green	Green	Green	Green
• Service Standards (1.3.1)	Green	NR	Green	NR
• Trailer Cards (3.11.1.2)	Green	Green	Green	Green
6. Right Efficiency - New efficiency metric under development	4Q97	NR	NR	NR
• Contract Closeout (4.2.2.2)	Green	Green	Green	Green
• Canceling Funds (TBD) (Unreconciled Contracts)	Red	Red	Red	Green
• Termination Actions (4.1.2)	Red	Red	Red	Yellow
7. Right Talent - Training Hours (1.8.1)	Green	Green	Green	Green
• DAWIA Certification (1.8.1.2)	Green	Green	Green	Green
• Course Completion (1.8.1.1)	Green	Green	Green	Green
• Training Quota Usage (1.8.1.3)	Green	Green	Green	Green



Mission Performance

Performance Metric	DCMC	Last
1. Right Item - Conforming Items (3.7.1.3)	NR	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green	Green
• Packaging Discrepancies (3.4.1)	4Q97	4Q97
• Adopted Software Recommendations (3.10.1.6)	Yellow	Yellow
2. Right Time - On Time Contractor Delivery (3.7.1)	4Q97	4Q97
• Customer Priority List (CPL) Coverage (3.7.2)	Green	Green
• Engineering Change Cycle Time (3.10.2.2)	Green	Yellow
• Schedule Slippage's on Major Programs (3.12.2.1)	4Q97	4Q97
• Shipping Document Cycle Time (3.5.2)	4Q97	4Q97
3. Right Price - Cost Savings and Avoidances (1.4.1)	Red	Yellow
• ROA on Property from Plant Clearance (4.3.1)	Green	Green
• Negotiation Cycle Time (2.2.2)	4Q97	4Q97
• UCA Definitization (2.2.2.1)	Red	Red
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green	Green
• Open Overhead Negotiations (4.4.1)	Red	Red
• Cost Overruns on Major Programs (3.12.1.4)	4Q97	4Q97
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Green	Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green	Green



Mission Performance (Con't)

Performance Metric	DCMC	Last
• % Contractors on Contractor Alert List (CAL) (2.1.1.2)	1Q98	1Q98
• Single Process Implementation (1.2.4)	Green	Green
• Preaward Survey Timeliness (2.1.2)	Green	Green
• Amount of DoD Property (3.2.1.1)	Green	Green
• Excess Property (3.2.1.2)	Green	Green
• Delay Forecast Coverage (3.7.1.1)	Nov 97	Nov 97
• Delay Forecast Timeliness (3.7.2.1)	Nov 97	Nov 97
• Delay Forecast Accuracy (3.7.1.2)	Nov 97	Nov 97
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green	Green
• Service Standards (1.3.1)	Green	Green
• Trailer Cards (3.11.1.2)	Green	Green
6. Right Efficiency - TBD	G/Y/R	G/Y/R
• Contract Closeout (4.2.2.2)	Green	Green
• Canceling Funds (4.2.2.1) (Unreconciled Contracts)	Red	Red
• Termination Actions (4.1.2)	Red	Green/ Red
7. Right Talent - Training Hours (1.8.1)	Green	Green
• DAWIA Certification (1.8.1.2)	Green	Green
• Course Completion (1.8.1.1)	Green	Green
• Training Quota Usage (1.8.1.3)	Green	Green

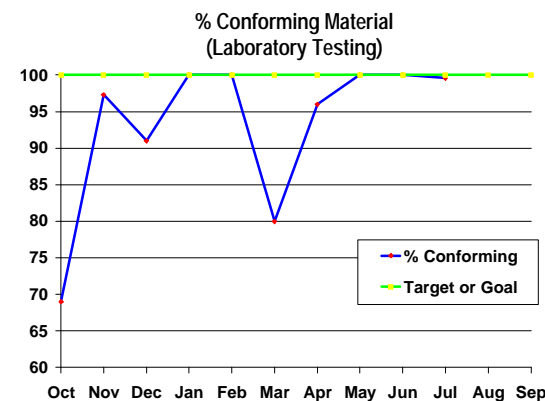
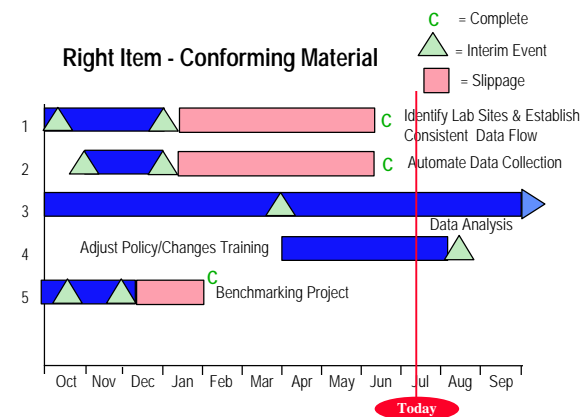
1.2.1-Right Item - % Conforming Material

Target: Increase by 5 points, from the FY 96 baseline, the percentage of DCMC inspected or accepted serviceable/issuable material.

Status: 11 July 97: 10th DATA POINT- DSCR, DISC, DSCC, Ogden and Watervilet provided data. Also, for the first time DCMC queried the Navy's PDREP database.

Total tested 36,577 and qty passed = 36,417. Conforming Items = 99.6%.

POC: Ms. Georgeanna M. Adams, AQOG



Conforming Items

- Additional data sources
 - Navy data added
 - 36,577 units tested
 - 36,417 units conforming
 - Navy conforming material rate = 99.6%
 - MICOM data still under review
 - Districts to test
 - “1-800” customer service concept
 - “This product Inspected by” concept

SOURCE ACCEPTANCE PAT SCHEDULE

- Establish Team Completed
- Recommend Change to FAR July 15, 1997
- Brief Major Acquisition Offices August, 1997
- Share Ideas September 30, 1997
- Review Policies & Procedures October 31, 1997
- Six Month Consultant Study February 27, 1998
 - Review Results & Plan Actions April 30, 1998

SOURCE ACCEPTANCE PAT SCHEDULE

- Review Source Inspected NSNs
 - Review 30% of Active March 31, 1998
 - Next 30% December 31, 1998
 - Remainder March 31, 1999
 - Inactive On Going
 - Team Report May 31, 1999
(Interim TBD)

1.2.1.4-Right Item: Software Recommendations Adopted

Target: 30 Sep 97: 65% of DCMC software comments are made prior to coding and unit testing phase and 30% of these comments are adopted.

Status: May 97: Yellow

FY97 Actuals:

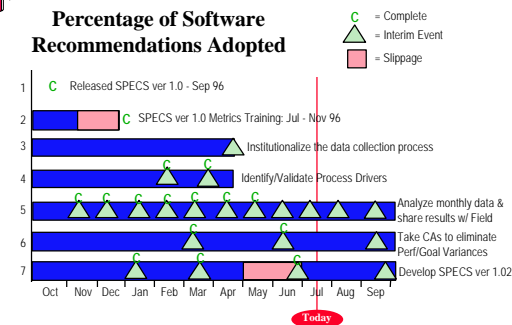
Recommendations Made: 59%
Goal: 65%

Recommendations Adopted: 70%
Goal: 30%

POC: AQOF, Amir TarMohamed, (703) 767-3350



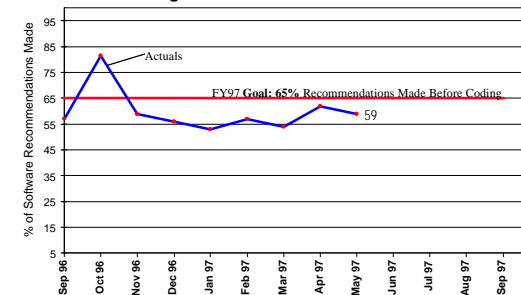
Percentage of Software Recommendations Adopted



97-1.2.1.4

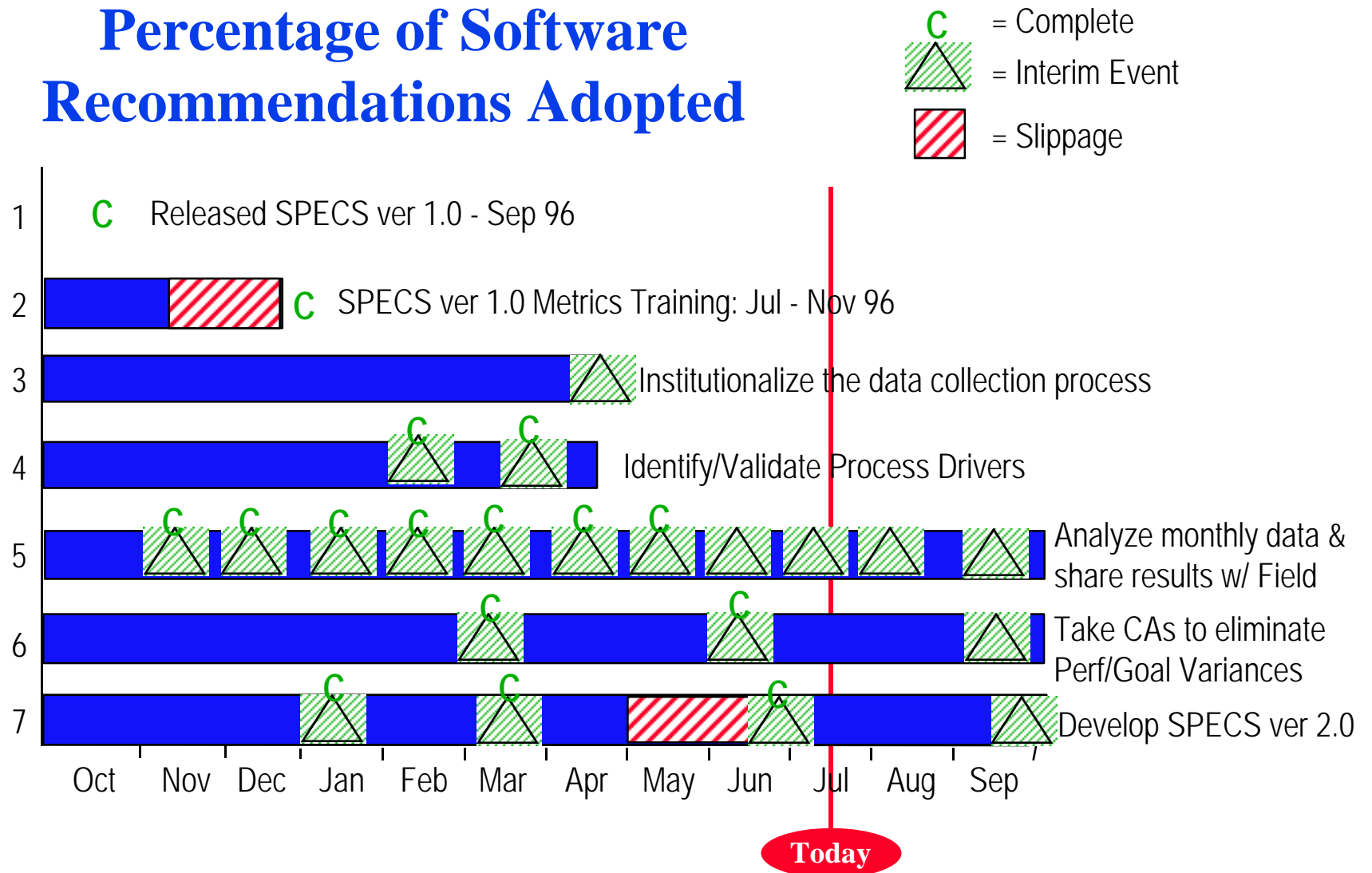


Right Item Metric
Percentage of Software Recommendations Made



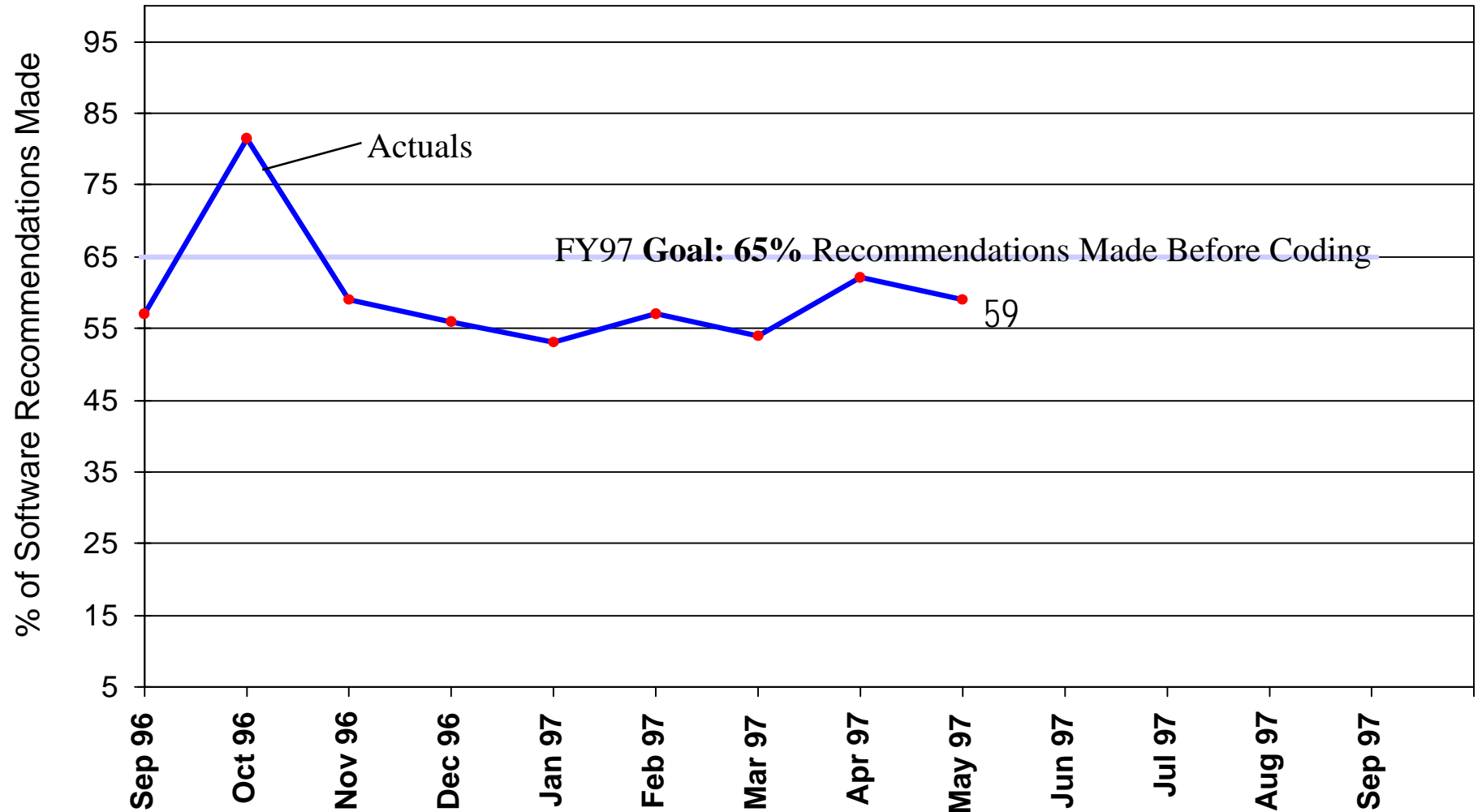
97-1.2.1.4

Percentage of Software Recommendations Adopted



Right Item Metric

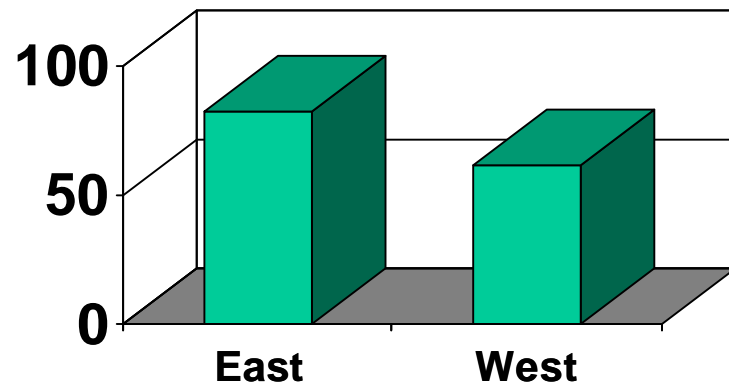
Percentage of Software Recommendations Made



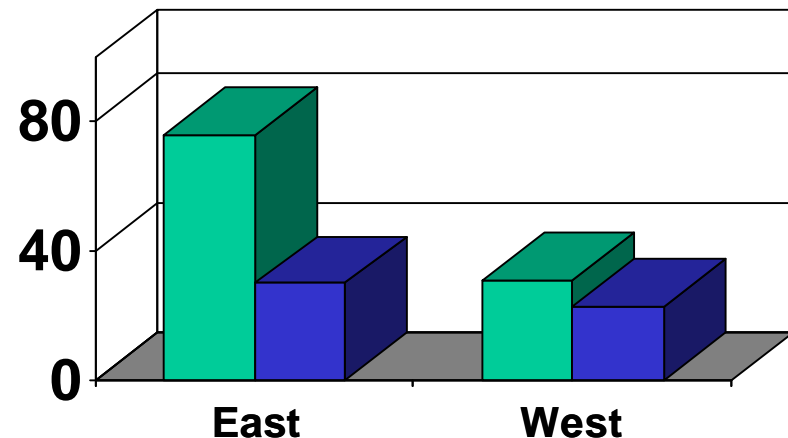
Software Workload vs. Personnel

SPECS Data (Oct 96-Jun 97): By District

Workload: Millions of SLOC



**Level 2/3 Distribution
Total vs. Located at "Top Ten"**



- DCMC has a total of 107 Level 2 certified software professionals.
- 60% of the currently certified Level 2's are located at one of the top twenty (by workload) CAO's.

1.2.1.2-Right Time: Class I ECP Cycle Time

Target: TBD

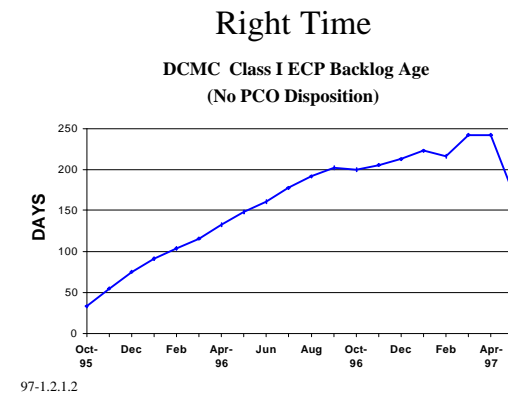
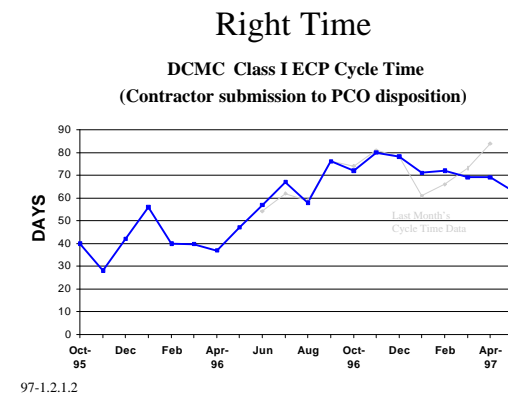
Status: July 3, 1997 - Status: Green

Trend: 12 Month Trend is Stable

Cycle time for May 97 is 63 days

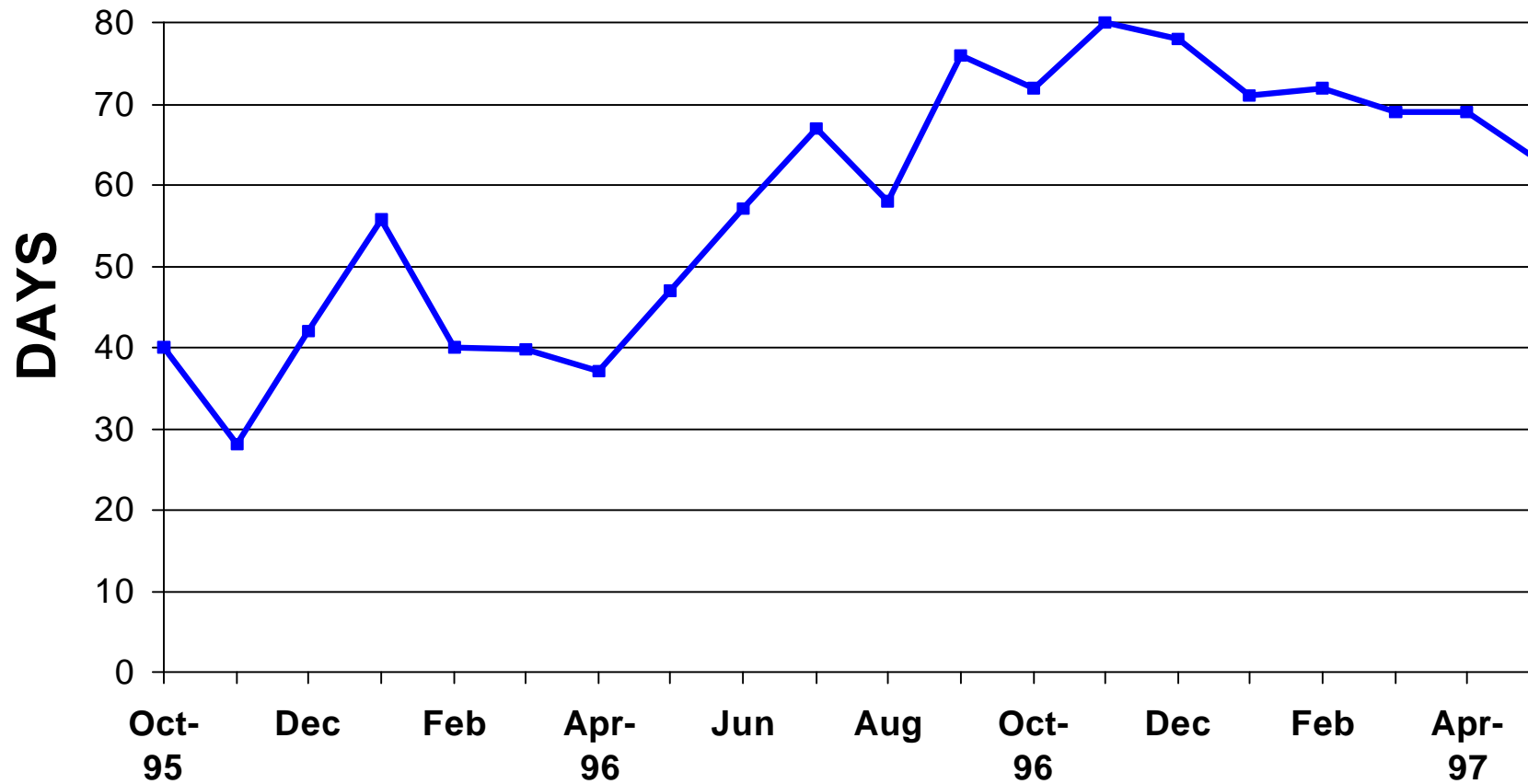
Data Accuracy has improved markedly in the last three months. Month to Month Cycle time variability is now down to 10 - 15 days. Backlog age is down from a high of 241 days to 172 days.

POC: Aristides Maldonado (AQOF), (703) 767-3355



Right Time

DCMC Class I ECP Cycle Time (Contractor submission to PCO disposition)



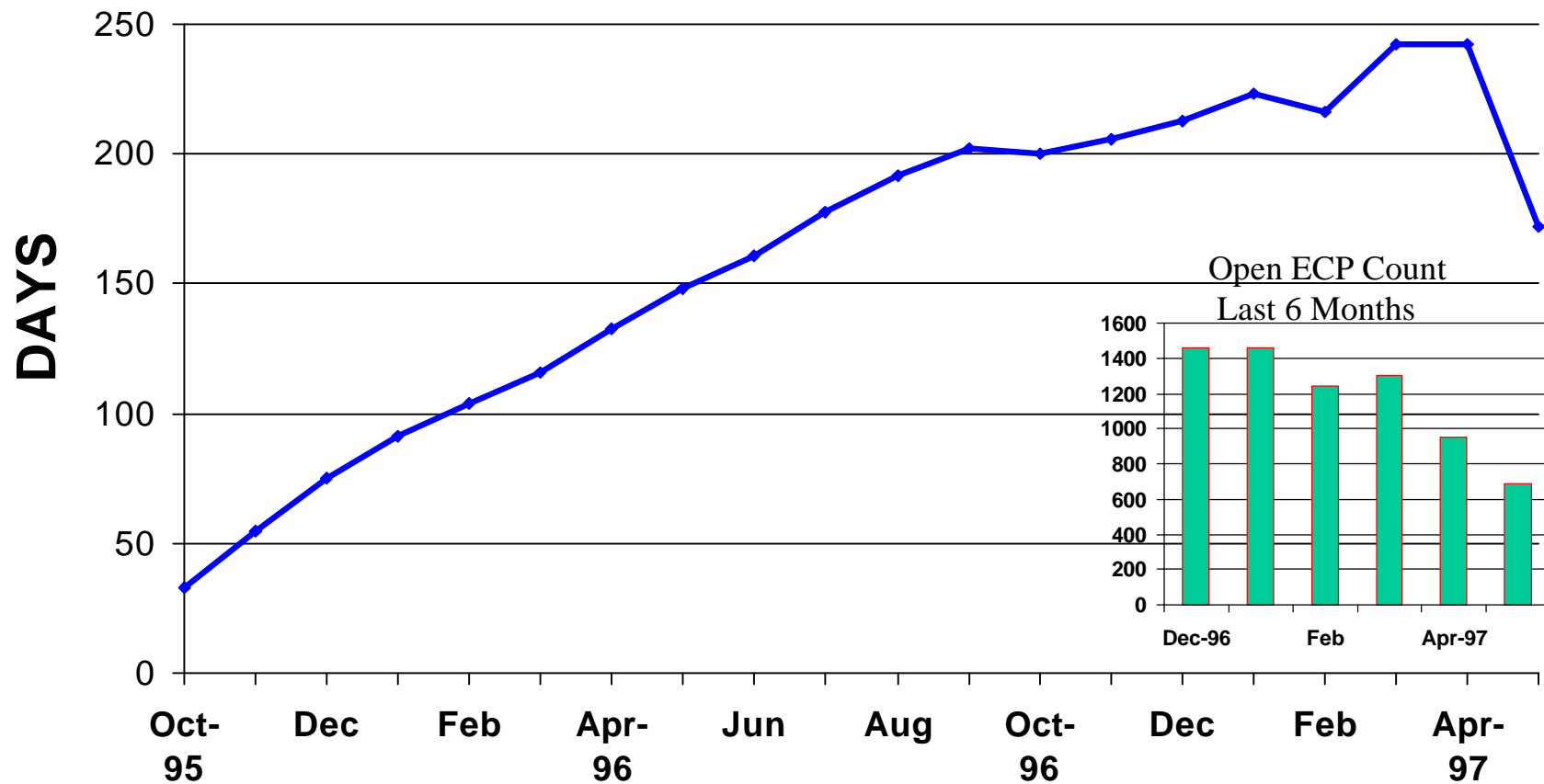
Right Time

DCMC Class I ECP Cycle Time (Contractor submission to PCO disposition)

- Cycle Time Includes All ECPs CLOSED by PCO disposition
 - Once Closed -- Clock stops
- Average Backlog Age Includes All ECPs OPEN Awaiting PCO disposition
 - Clock continues to Tick
 - Drives Cycle Time
 - Up until now we had a large number of “phantom” ECPs (closed carried as open) in the backlog
 - 250 ECPs processed/month - A 70 day cycle time leads to a Count of 575 ECP in the Backlog (Currently 688)

Right Time

DCMC Class I ECP Backlog Age (No PCO Disposition)



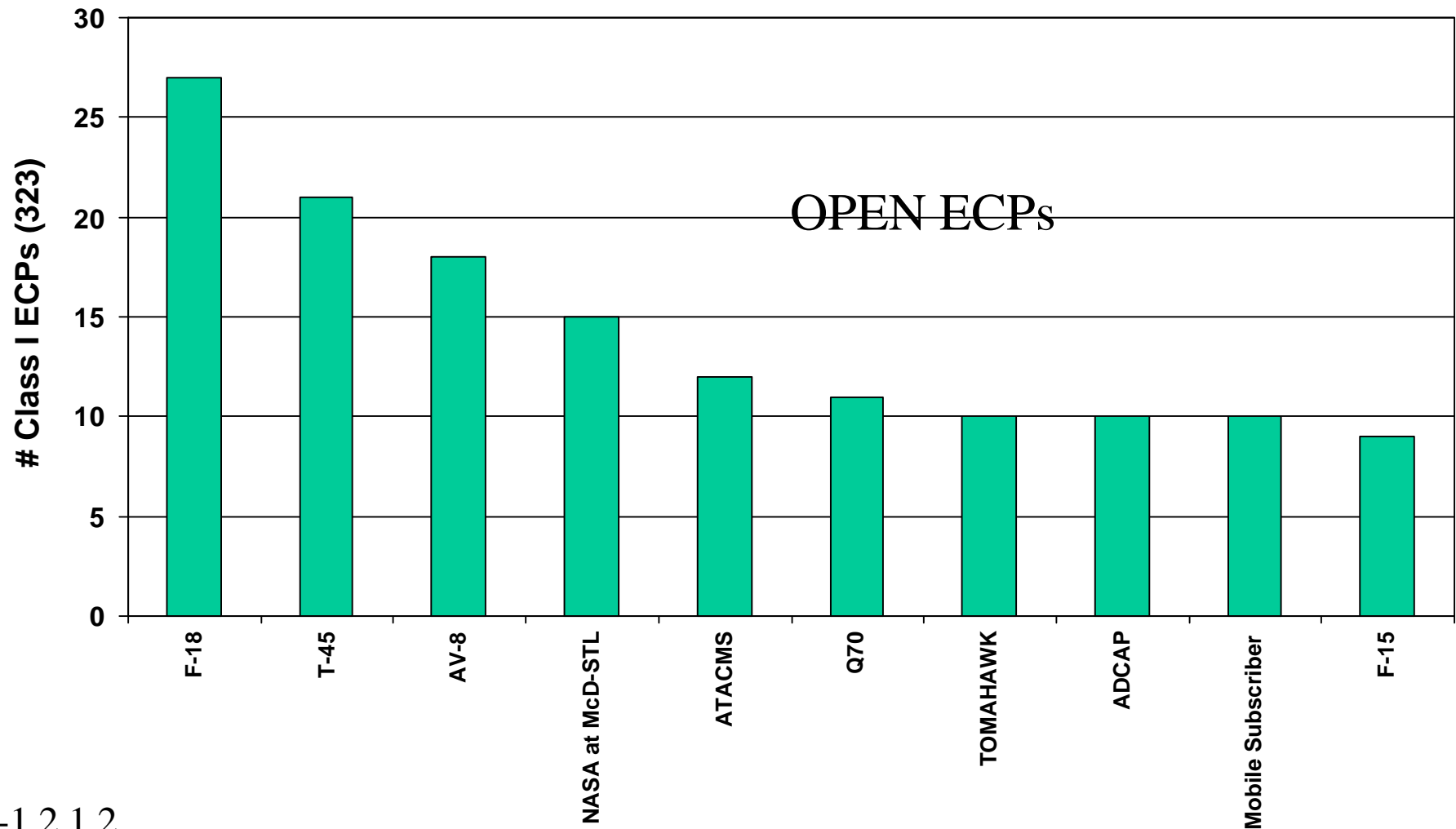
97-1.2.1.2

Right Time

ECP Cycle Time Backlog by Program

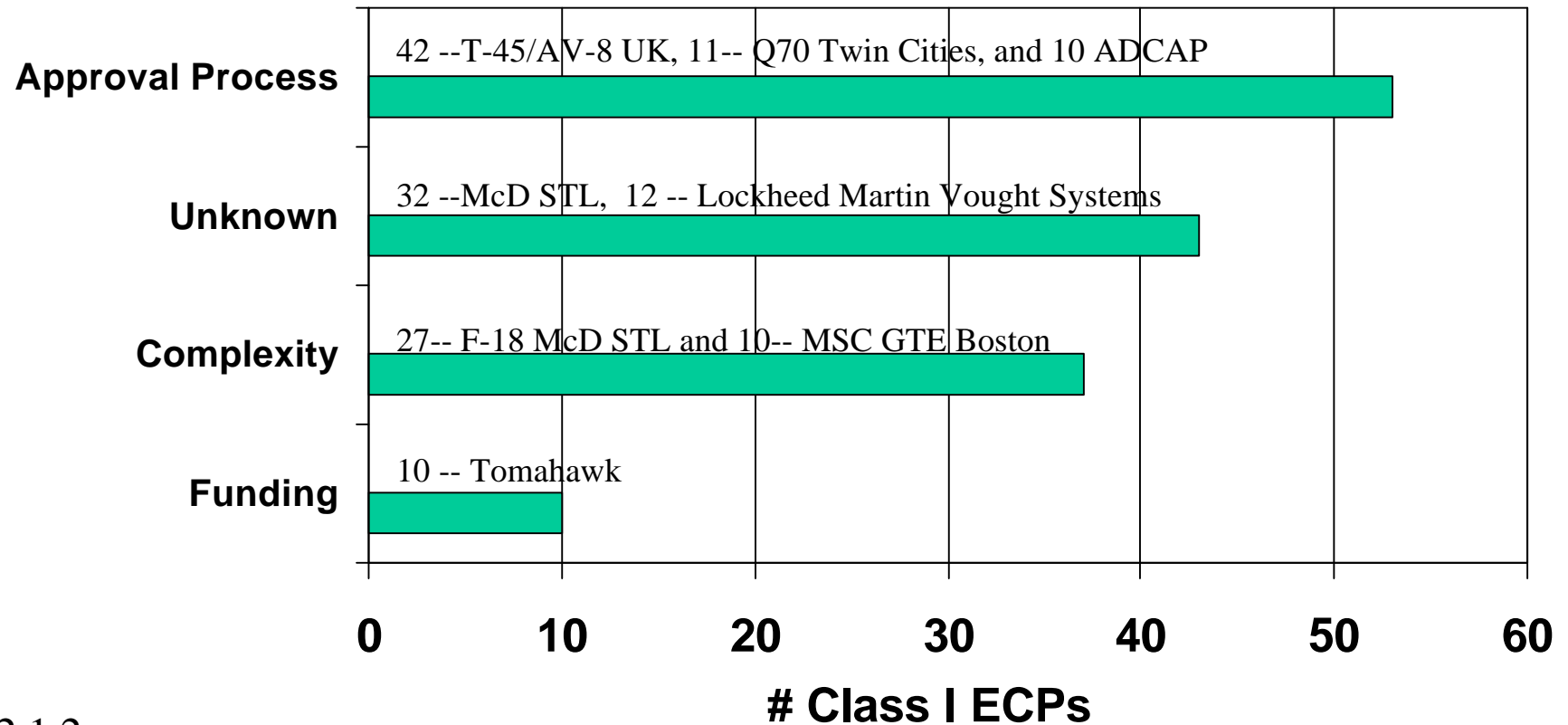
> 120 days (May 97)

(10 Programs have 44%)



Right Time

Drivers for ECPs Open Over 120 days (May 97) (10 programs - 44%)





Right Time

Class I ECP Cycle Time

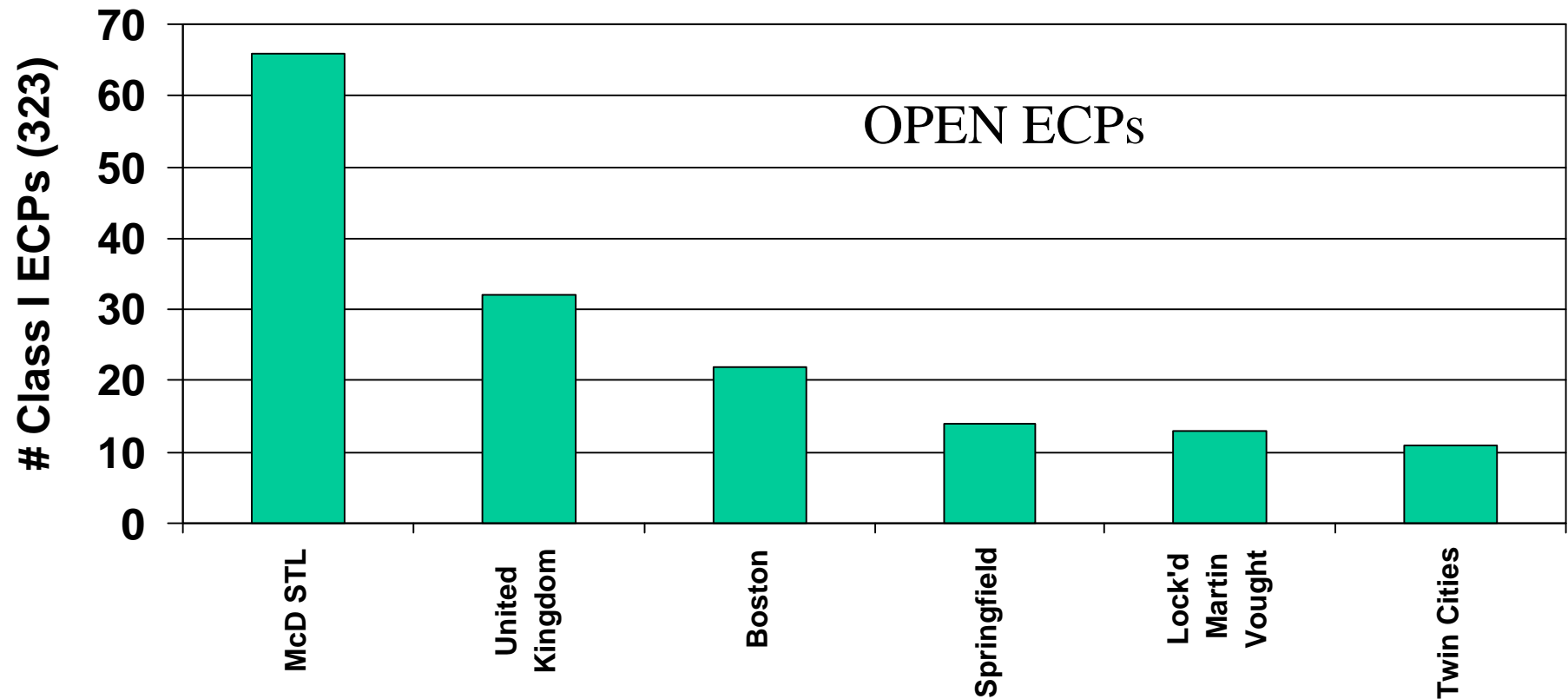
Status: Green

- Trend: 12 Month Trend is Stable
 - Cycle time for May 97 is 63 days
 - Data Accuracy has improved markedly
 - Month to Month Cycle time variability is now down to 10 - 15 days.
 - Backlog age is down from a high of 241 days to 172 days
 - Actual open ECPs are down from a high of 1457 in Jan 97 to the current 688, about a 50% reduction

BACK UPS

Right Time

**CAOs with the Most ECPs Open
Over 120 days (May 97)**
(6 CAOs - 49%)



1.2.3-ROI increase of 10% over '96 baseline

Target: 10 % Increase over 96
baseline Savings/avoidances
approximately \$4.8B)

Status: July 7 update: (1) Rated Red.
(2) FY 97 goal 4.85. (3) At the
end of May 1997, ROI ratio is 4.39.
(4) DCMDE initiative ongoing to
ensure complete reporting (several
offices reporting zero values) - get
well August 1997. (5) Automate
ROI reporting by Nov 97. (6) track
every 2 months.

POC: Nelson Cahill, AQOD, (703) 767-3434



Right Price Return On Investment of 10 Percent over New FY 96 Baseline

NEW FY 97 ROI RATIO GOAL 4.85
FY 1996

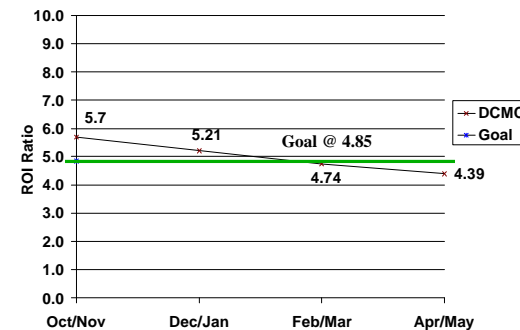
ROI	\$ 4,741,920,179
TOTAL OPERATING COSTS	1,074,701,000
ROI RATIO	4.41

OCT 1996 - MAY 1997

ROI	\$ 3,025,738,121
TOTAL OPERATING COSTS	689,741,333
ROI RATIO	4.39



Right Price - Cost savings & Avoidances (ROI Ratio) Cumulative S+ A)/Operating Costs





Right Price

Return On Investment of 10 Percent over New FY 96 Baseline

NEW FY 97 ROI RATIO GOAL 4.85
FY 1996

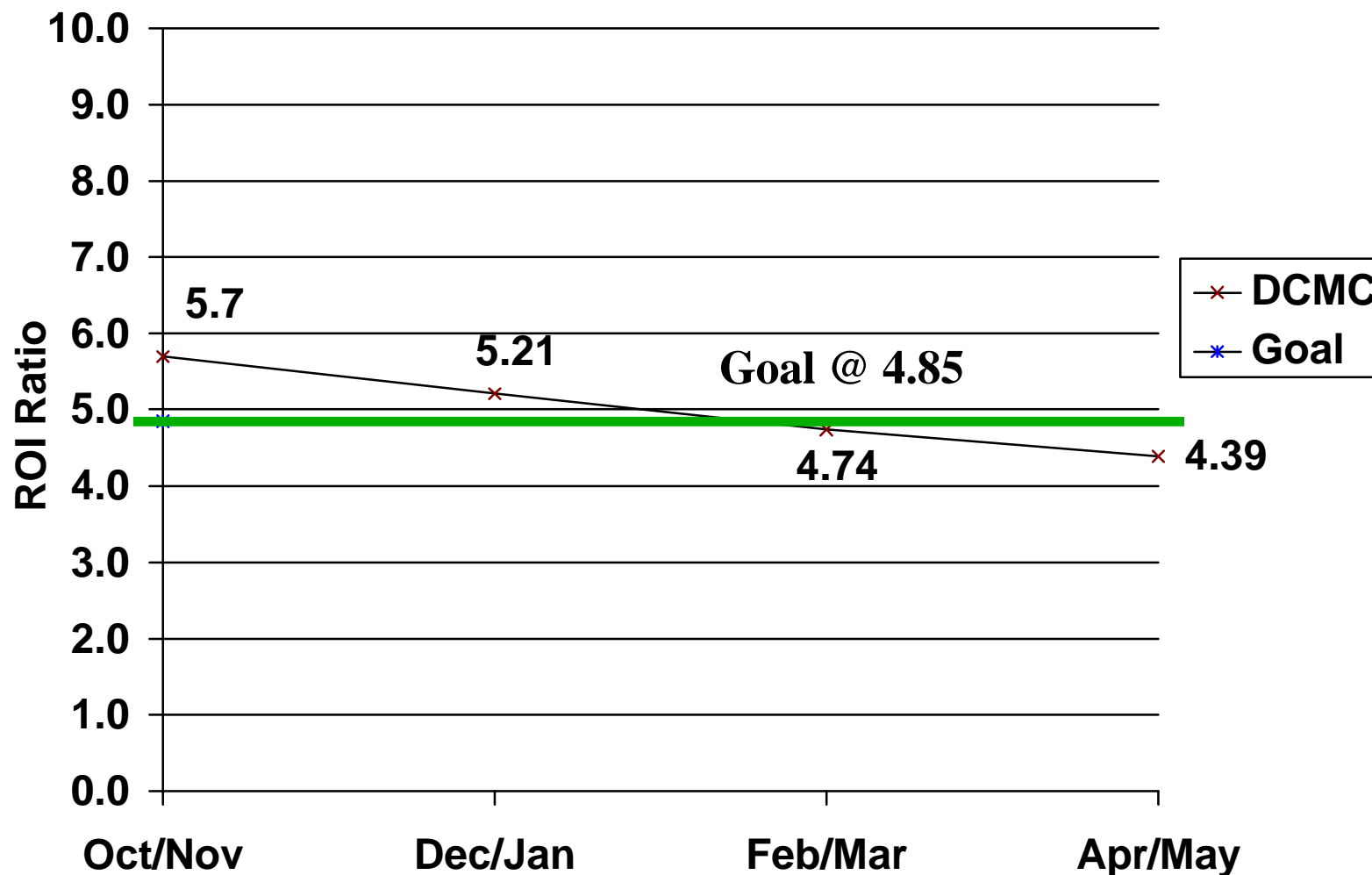
ROI	\$ 4,741,920,179
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OCT 1996 - MAY 1997

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TOTAL OPERATING COSTS	689,741,333
ROI RATIO	4.39

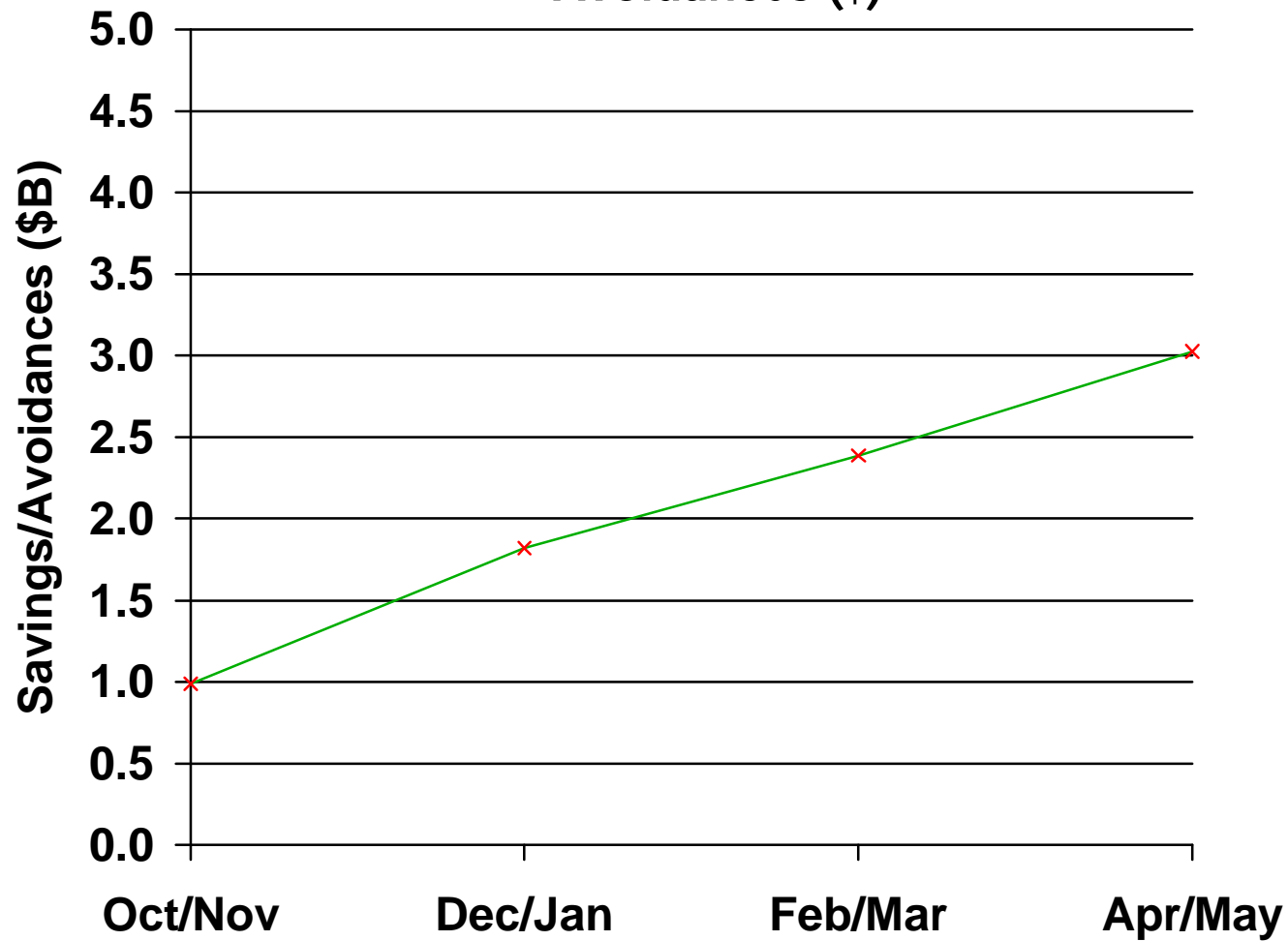


Right Price - Cost savings & Avoidances (ROI Ratio) Cumulative S+ A)/Operating Costs





Right price - Cumulative Cost Savings & Avoidances (\$)



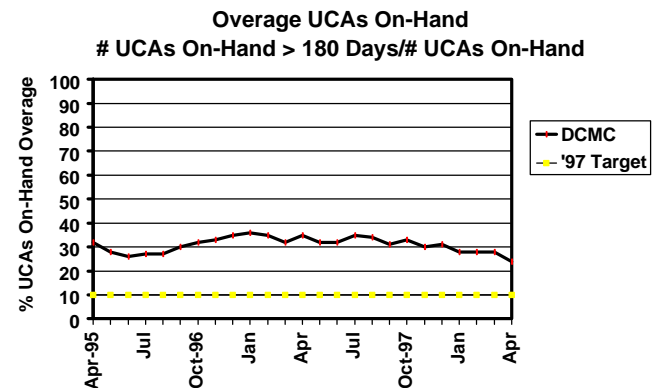
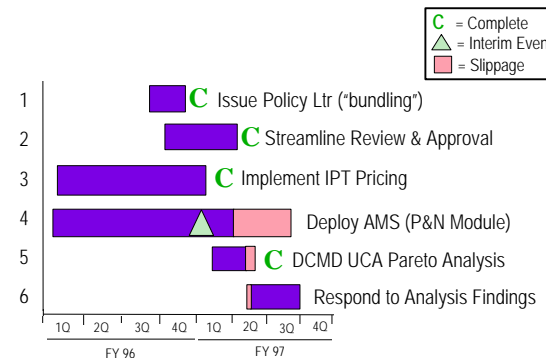
1.2.3-Right Price: Overage UCAs On-Hand

Target: 10% or less of UCAs On-Hand Overage

Status: JUN UPDATE: Field continues to make great strides: As of 30 Apr, overage rate at 24% (down from 35% last Aug). Reaching our 10% goal will be difficult--our current projection is around 13% by 30 Sep.

POC: Dave Ricci, AQOD, 703.767.3376

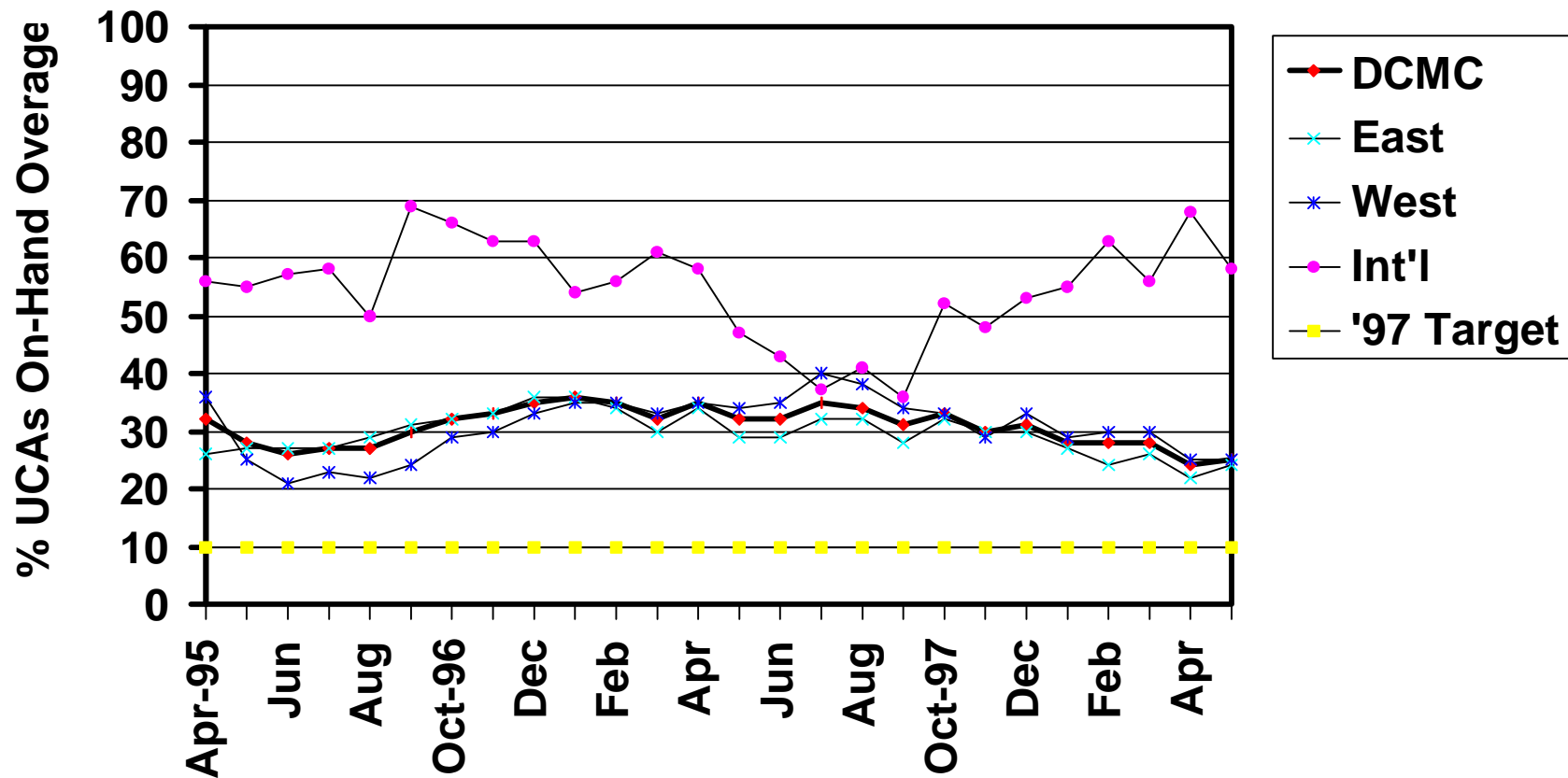
Action Plan for UCAs





Right Price

Overage UCAs On-Hand
UCAs On-Hand > 180 Days/# UCAs On-Hand





Right Price

Overage UCAs On-Hand

Status: Red

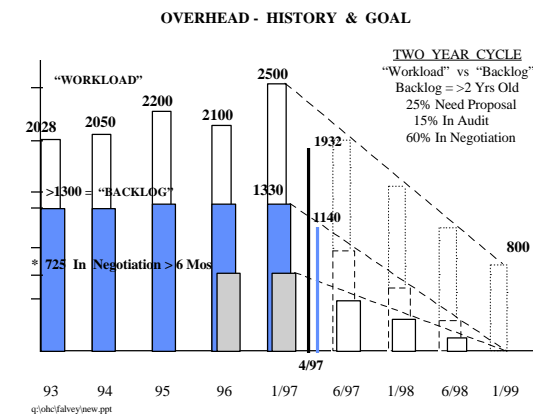
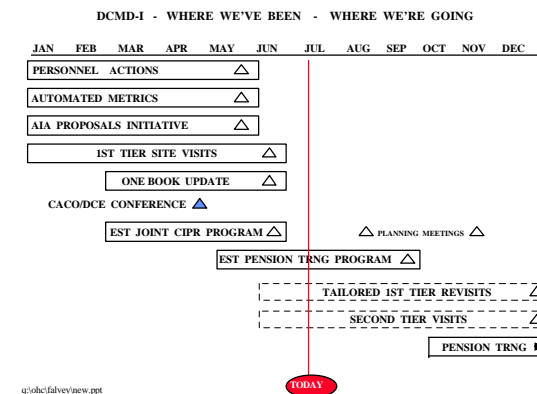
- For May, percentage of overage UCAs on-hand increased 1% to 25% as the number of total UCAs and overage UCAs on-hand were flat.
 - No problem as increase came on heels of a 4% decrease in April.
- Still expect to get close to goal!

1.3.1.2x-Reduce open overhead negotiations

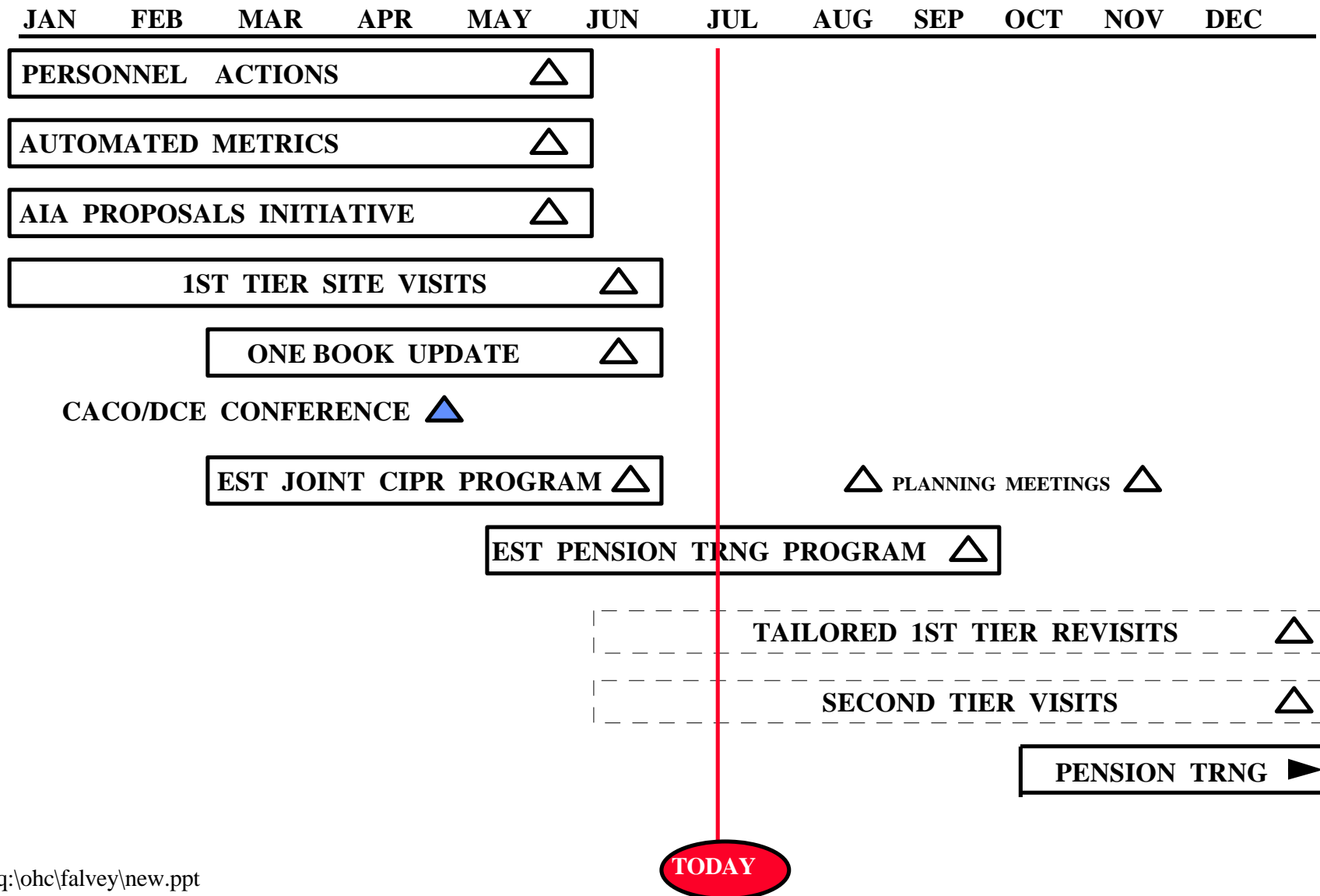
Target: Establish final OH rates within a 24 month cycle

Status: The Sept. 96 backlog was over 2100 years. The 1997/98 plans have a goal of 800 (based upon an estimate of approximately 400 reporting segments command-wide on a 2 year cycle (2 X 400=800)). We expect to be able to reach this goal by the end of 1998.

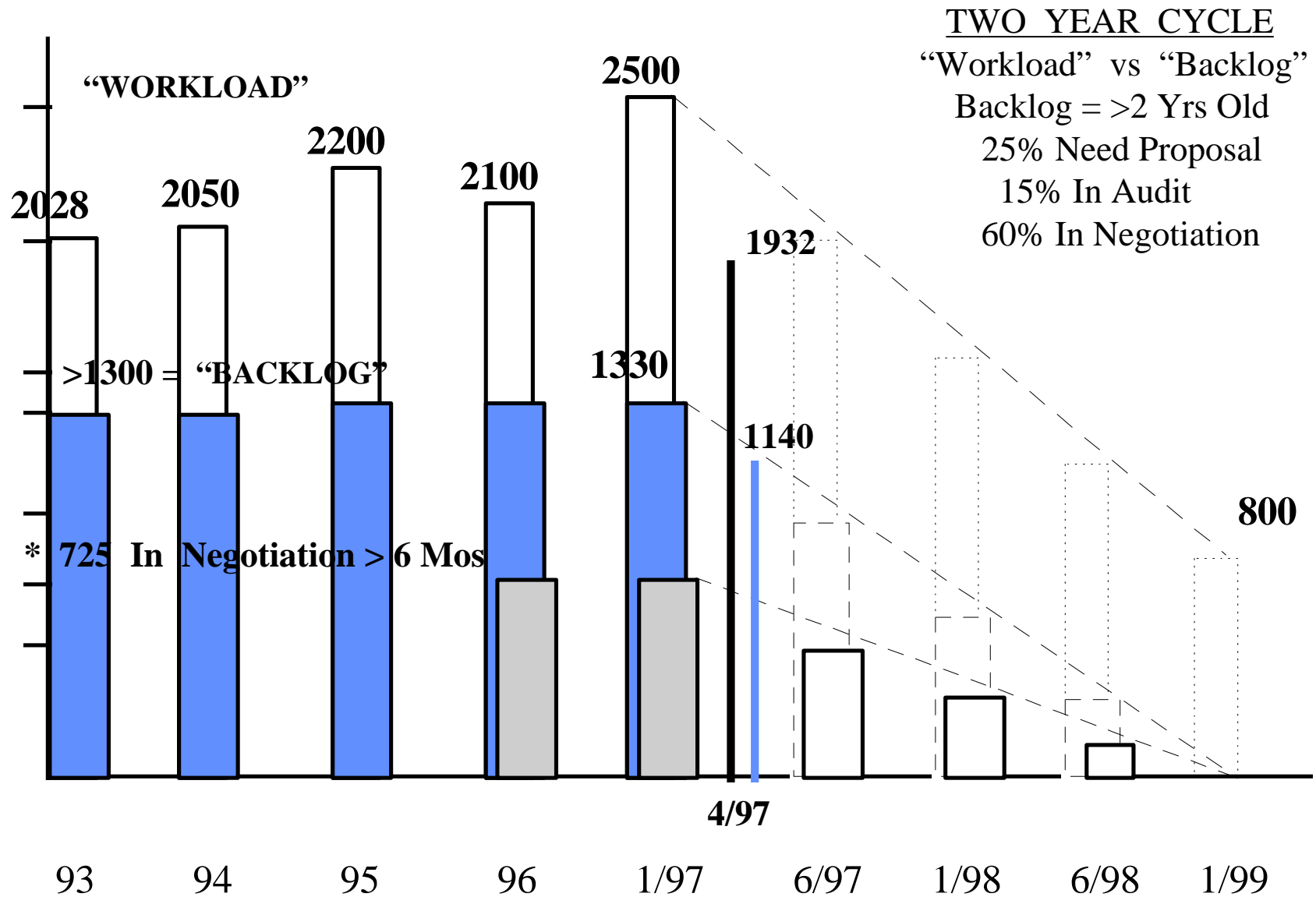
POC: Glenn Gulden & Patricia Janik, DCMDI-C (767-3406/8138)



DCMD-I - WHERE WE'VE BEEN - WHERE WE'RE GOING



OVERHEAD - HISTORY & GOAL

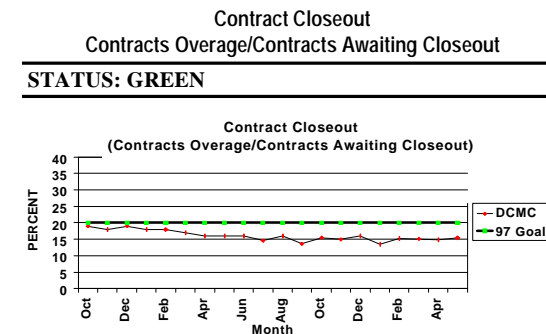
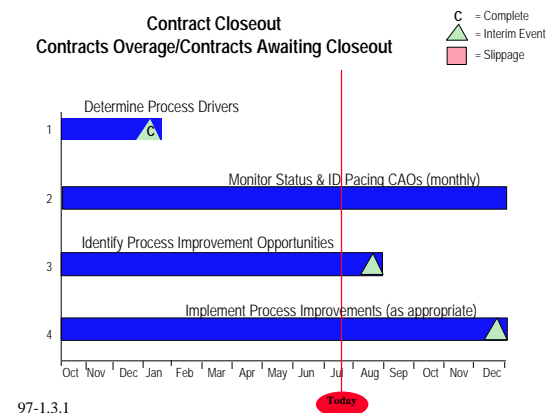


1.3.1-Right Efficiency: Contract Close-out

Target: Maintain a performance goal of not more than 20% of overage contracts w/out canceling funds.

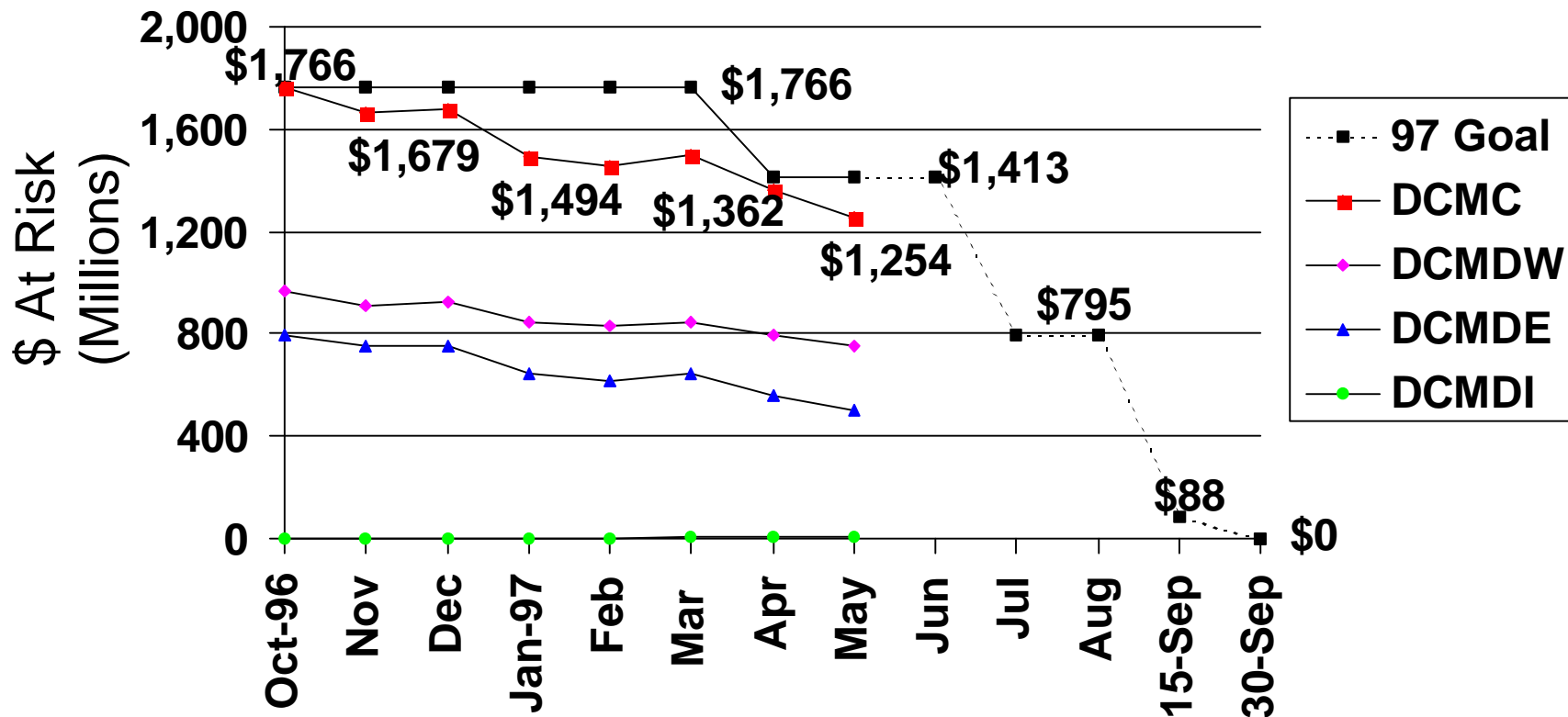
Status: 15 Jul status: GREEN. The performance goal for overage contracts without canceling funds is GREEN at 15.45%. Canceling funds metric has been established and is located under next 2 initiatives in ITS (1.3.1-x& xx Right Efficiency: Contract Closeout, Canceling Funds).

POC: STEPHANIE STROHBECK (AQOE) - 767-3445



Contracts With FY 97 Canceling Funds - Total (Sections 1 - 4)

STATUS: RED

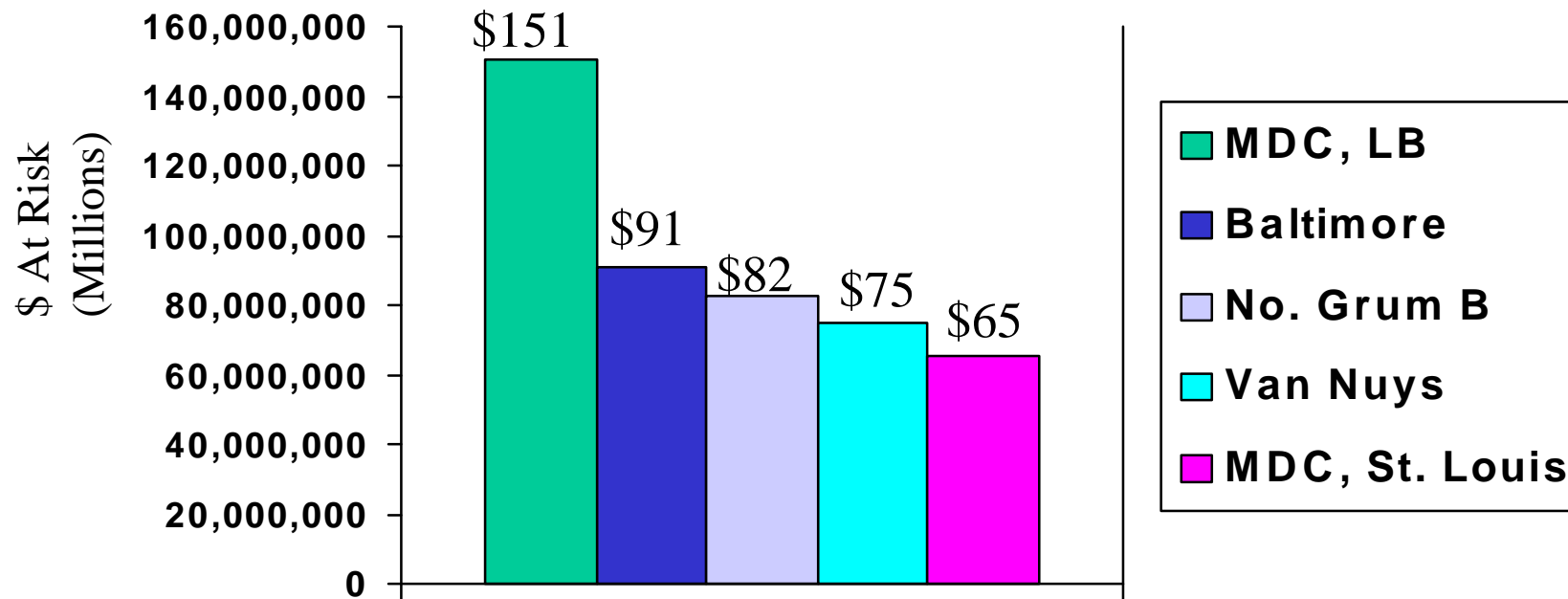


Contracts With FY 97 Canceling Funds - Total (Sections 1 - 4)

Top 5 Pacing CAOs

May 97

Sections 1-4



Contract Closeout

Contracts with Canceling Funds

- Downward Trend Continues Overall and Within Each Section
- Working with DCMC DFAS Liaison and DFAS to Better Understand DFAS Adjustments Impact on Canceling Funds
- Researching Services' Actions to Manage Canceling Funds
- Working to Get Impromptu Canceling Funds Report Up and Running
- Update to Buying Command Sort Sent to Liaisons

UNRECONCILABLE CONTRACTS

- DFAS identified 57 contracts as candidates for contract closeout using the Negotiated Reconciliation Process.
- To Date Have Closed 27 (up from 22 in Apr.)
- Expect All 57 to be Reconciled by Aug 97.
Issues causing delays: payment against incorrect ACRN; missing invoices; missing payment documents; litigation against contractor pending
- CAOs Working Issue Vigorously

DCMC

UNRECONCILABLE CONTRACTS

SPECIAL TOPIC

FY97 Goal: Close By APR 97

<u>CAO</u>	<u># Contracts</u>	<u>Closed*</u>	<u>Transferred **</u>	<u>Given Back</u>	<u>Balance</u>
DCMC	57	27	1	13	16
DCMDE	26	11	1	8	6
DCMDW	31	16		5	10
DCMDI	N/A-----				

* 5 contracts were in active status and should not have been on list
(3 DCMDE, 2 DCMDW)

** DCMDE: 1 transferred to correct payment office (MICOM)

DCMC

UNRECONCILABLE CONTRACTS

SPECIAL TOPIC

FY97 Goal: Close By APR 97

<u>CAO</u>	<u># Contracts</u>	<u>Air Force</u>	<u>Army</u>	<u>Navy</u>	<u>Misc.</u>
DCMC	57	17	21	18	1
DCMDE	26	7	11	8	1
DCMDW	31	10	10	10	0
DCMDI	N/A-----				

1.3.1.2-Terminations

Target: Close all dockets over 2 years old prior to end of FY97

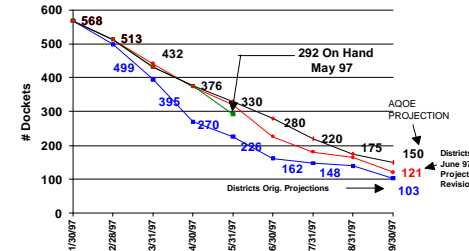
Status: July update: Red.

- Current Cycle time for Dockets <2 yr = 500 days.
- Reviewing field questionair responses on litigation, canceling funds, and plantclearnce.
- Litigation will be remaining issue in FY98 for overages.
- Expect approx 150-200 contracts > 2 yr old to remain in FY98.

POC: Kevin Koch, AQOE, 703-767-6398



Right Efficiency
Termination Actions
DCMC Overage Burndown Plan



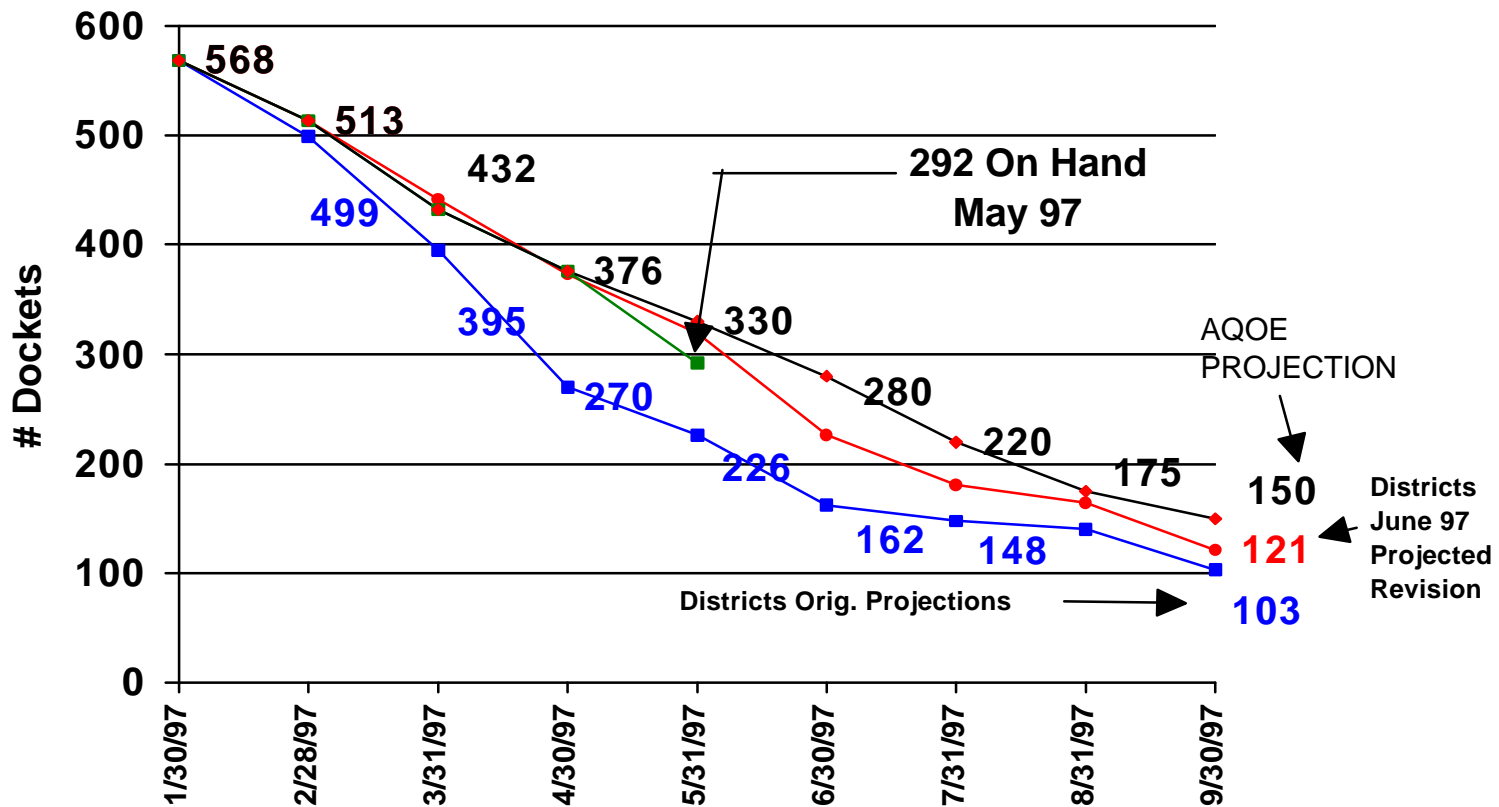
Right Efficiency
DCMC Termination Actions
Termination for Convenience Cycle Time

STATUS:	GREEN	FY97 Goal: Cycle Time < 730 Days
	RED	FY97 Goal: Zero Dockets with Termination Date prior to 1/1/95
<ul style="list-style-type: none"> Cycle Time (Dockets with a Termination Date after 1/1/95: GREEN) <ul style="list-style-type: none"> Goal <730 Days; Current Cycle Time Average 500 days Close Dockets Effective Later Than 1-1-95 by Oct 97 - (RED) <ul style="list-style-type: none"> Trends indicate 150 Dockets may remain in Oct 1997 due to litigation & misc. issues. Termination's are receiving positive support from DLA Counsel who has placed emphasis on Alternate Disputes Resolution. 		

Business Plan Reference: Task 1.3.1.2





Right Efficiency Termination Actions DCMC Overage Burndown Plan





Right Efficiency DCMC Termination Actions Termination for Convenience Cycle Time

STATUS:		GREEN	FY97 Goal: Cycle Time < 730 Days
		RED	FY97 Goal: Zero Dockets with Termination Date prior to 1/1/95

- Cycle Time (Dockets with a Termination Date after 1/1/95: **GREEN**)
 - Goal <730 Days; Current Cycle Time Average 500 days
- Close Dockets Effective Later Than 1-1-95 by Oct 97 - (**RED**)
 - Trends indicate 150 Dockets may remain in Oct 1997 due to litigation & misc.. issues.
 - Termination's are receiving positive support from DLA Counsel who has placed emphasis on Alternate Disputes Resolution.



Performance Improvement

1997 Business Plan - Performance Goals	DCMC	East	West	Int'l
• (1.1.1) Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS)	Green	Green	Green	Green
• (1.2.1) Increase the percentage of items (source inspected) conforming to product specifications	NR	Yellow	NR	Green
• (1.2.2) Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule	Green	NR	NR	NR
• (1.2.3) Increase overall DCMC ROI by 10% over the FY 96 baseline	Red	Yellow	NR	Green
• (1.3.1) Continually improve all facets of the contract close-out process such that not more than 20 percent of physically completed contracts are overage for closeout	Green	Red	Green	Green
• (2.1.1) Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites	Green	Green	NR	NA
• (2.1.2) Establish, maintain, and improve dynamic surveillance process that senses and satisfies customer needs (DELIVERY DELINQUENCIES)	Green	Green	NR	NA
• (2.1.3) Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century	Green	NA	NA	NA
• (2.1.4) Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS)	Green	Green	Green	Green
• (2.1.5) Continually improve/enhance organization & processes that deliver quality products/services (INTERNAL PROCESS STANDARDIZATION)	Red	Green	NR	Green



Performance Improvement (Con't)

1997 Business Plan - Performance Goals	DCMC	East	West	Int'l
• (2.1.6) Support info technology initiatives by deploying 90% of projects selected in the IRM plan on schedule (INFORMATION TECHNOLOGY INITIATIVES)	Rated by Task	Green	NR	NR
• (2.1.7) Develop/deploy small quantity of outcome-oriented performance measures which best portray performance of core processes (METRICS)	Green	Green	NR	Green
• (2.1.8) Package DCMC-wide data for the customer in a comprehensive, timely, and user-friendly manner (PACKAGING DCMC DATA)	Green	Green	NR	Green
• (2.2.1) Use the results of Performance Based Assessment to better structure and utilize the workforce	Green	Green	NR	Green
• (2.3.1) Improve mission and support processes by conducting Management Control Reviews (MCRs) and annual USAs; incorporate areas for improvement into planning process	Green	Green	Green	Green
• (2.3.2) Assess organizational performance through the accomplishment of 30 IOAs during FY 97	Green	Green	Green	NA
• (2.3.3) Benchmark the Distributed Computing Process	Green	Green	NR	NA
• (2.3.4) Explore the use of Alternate Oversight approaches and other methods to enhance operational efficiency at various CAO locations	Green	Green	Green	NA
• (2.3.5) Refine assessment processes (REFINE ASSESSMENT PROCESSES)	Green	NA	NA	NA
• (3.1.1) Reduce facilities costs - bring footage ² of office space into compliance w/ DLA standard - move offices from leased space into DoD space	Red	Red	Red	NA
• (3.1.2) Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide	Green	Green	Green	Green



Performance Improvement (Con't)

1997 Business Plan - Performance Goals	DCMC	East	West	Int'l
• (3.1.3) Increase civilian supervisory ratio to 13:1	Green	Red	Green	Green
• (3.1.4) Implement Unit Cost Management (UNIT COST MANAGEMENT)	Yellow	Yellow	Yellow	Yellow
• (3.2.1) Develop and implement an integrated management system	Green	Green	NR	Green
• (3.3.1) Improve elements of the work environment that enhance employees' well being, satisfaction, and productivity	Green	Green	Green	Green
• (4.1.1) Maintain overall customer satisfaction level greater than 4.0 (1-6 scale) across ACAT PMs/PCOs and Commodity Managers/PCOs	Green	Green	Green	Green
• (4.1.2) Field activities continue to solicit customer satisfaction information via Trailer Cards	Green	Green	Green	Green
• (4.2.1) Implement risk management in the reimbursable budget process and improve forecasting, reporting, and billing procedures and processes	Green	Green	Green	Green
• (5.1.1) Establish, maintain, and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS)	Green	Green	Green	Green
• (5.2.1) Improve labor management relations within DCMC	Yellow	Green	Green	Green



Performance Improvement

1997 Business Plan - Performance Goals	DCMC	Last
• (1.1.1) Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS)	Green	Green
• (1.2.1) Increase the percentage of items (source inspected) conforming to product specifications		NR
• (1.2.2) Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule	Green	Green
• (1.2.3) Increase overall DCMC ROI by 10% over the FY 96 baseline	Red	Yellow
• (1.3.1) Continually improve all facets of the contract close-out process such that not more than 20 percent of physically completed contracts are overage for closeout	Green	Green
• (2.1.1) Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites	Green	Green
• (2.1.2) Establish, maintain, and improve dynamic surveillance process that senses and satisfies customer needs (DELIVERY DELINQUENCIES)	Green	Green
• (2.1.3) Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century	Green	Green
• (2.1.4) Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS)	Green	Green
• (2.1.5) Continually improve/enhance organization & processes that deliver quality products/services (INTERNAL PROCESS STANDARDIZATION)	Red	Green



Performance Improvement (Con't)

1997 Business Plan - Performance Goals	DCMC	Last
• (2.1.6) Support info technology initiatives by deploying 90% of projects selected in the IRM plan on schedule (INFORMATION TECHNOLOGY INITIATIVES)		G/Y/R
• (2.1.7) Develop/deploy small quantity of outcome-oriented performance measures which best portray performance of core processes (METRICS)		G/Y/R
• (2.1.8) Package DCMC-wide data for the customer in a comprehensive, timely, and user-friendly manner (PACKAGING DCMC DATA)	Green	Green
• (2.2.1) Use the results of Performance Based Assessment to better structure and utilize the workforce		G/Y/R
• (2.3.1) Improve mission and support processes by conducting Management Control Reviews (MCRs) and annual USAs; incorporate areas for improvement into planning process		G/Y/R
• (2.3.2) Assess organizational performance through the accomplishment of 30 IOAs during FY 97		G/Y/R
• (2.3.3) Benchmark the Distributed Computing Process	Green	Red
• (2.3.4) Explore the use of Alternate Oversight approaches and other methods to enhance operational efficiency at various CAO locations	Green	Green
• (2.3.5) Refine assessment processes (REFINE ASSESSMENT PROCESSES)		G/Y/R
• (3.1.1) Reduce facilities costs - bring footage ² of office space into compliance w/ DLA standard - move offices from leased space into DoD space		G/Y/R
• (3.1.2) Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide		G/Y/R



Performance Improvement (Con't)

1997 Business Plan - Performance Goals	DCMC	Last
• (3.1.3) Increase civilian supervisory ratio to 13:1		G/Y/R
• (3.1.4) Implement Unit Cost Management (UNIT COST MANAGEMENT)		G/Y/R
• (3.2.1) Develop and implement an integrated management system		G/Y/R
• (3.3.1) Improve elements of the work environment that enhance employees' well being, satisfaction, and productivity		G/Y/R
• (4.1.1) Maintain overall customer satisfaction level greater than 4.0 (1-6 scale) across ACAT PMs/PCOs and Commodity Managers/PCOs	Green	Green
• (4.1.2) Field activities continue to solicit customer satisfaction information via Trailer Cards	Green	Green
• (4.2.1) Implement risk management in the reimbursable budget process and improve forecasting, reporting, and billing procedures and processes		G/Y/R
• (5.1.1) Establish, maintain, and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS)	Green	Green
• (5.2.1) Improve labor management relations within DCMC		G/Y/R

2.1.5-Internal Process Standardization Challenge

Target: 30 Sep 97

Status: -Many activities completed or begun during FY96.

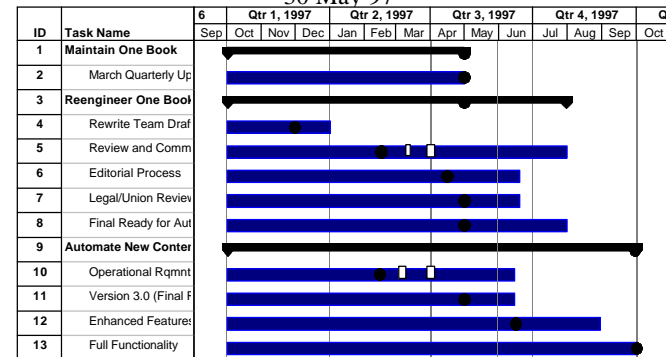
-2 key tasks identified for FY97:

Task 97-2.1.5.1- Owner: Carol Collins, AQOJ, 767-2352 - Improve venues for consistent operation/deployment of DCMC's policies. Task 97-2.1.5.2 - Owner: Kathy Zalonis, AQOJ,

767-2365 - Reengineer DCMC's One Book.

POC: Richard Horne, AQOG, 767-2359

Performance Goal 2.1.5 - Internal Process Standardization
30 May 97



Performance Goal 2.1.5
Internal Process Standardization
May 30, 1997

Task 2 Changes:

- Review Period extended (Mar 28 to Jul 30)
- Editorial Review to parallel Legal/Union Review
- Final Draft to Legal/Union/Editor on 2 Jun
- Final Draft Responses due back 18 Jun
- Final Rewrite Ready extended (Jun 13 to Jul 30)

Task 3 Changes:

- ORD extended (Mar 28 to Jun 15)
- Version 3 extended (Jun 27 to Jul 30)

Performance Goal 2.1.5 - Internal Process Standardization

30 May 97

ID	Task Name	6	Qtr 1, 1997				Qtr 2, 1997			Qtr 3, 1997			Qtr 4, 1997			Qtr 5, 1997
		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	
1	Maintain One Book															
2	March Quarterly Updates															
3	Reengineer One Book															
4	Rewrite Team Draft															
5	Review and Comments															
6	Editorial Process															
7	Legal/Union Review															
8	Final Ready for Approval															
9	Automate New Content															
10	Operational Requirements															
11	Version 3.0 (Final Iteration)															
12	Enhanced Features: New															
13	Full Functionality															

Performance Goal 2.1.5
Internal Process Standardization
May 30, 1997

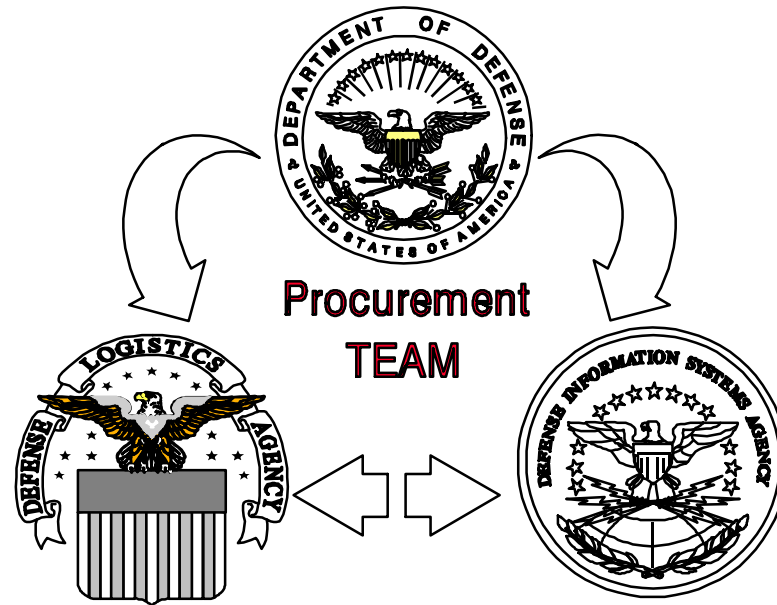
Task 2 Changes:

- Review Period extended (Mar 28 to Jul 30)**
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Task 3 Changes:

- ORD extended (Mar 28 to Jun 15)**
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DLA AQ MONTHLY MANAGEMENT REVIEW IRM PROGRAM



Defense Procurement CIM Systems Center (DPCSC)

DLA-AQAC

CAPT Edward J. Case, SC, USN

Program Manager

July 15, 1997



Performance Goal Initiatives

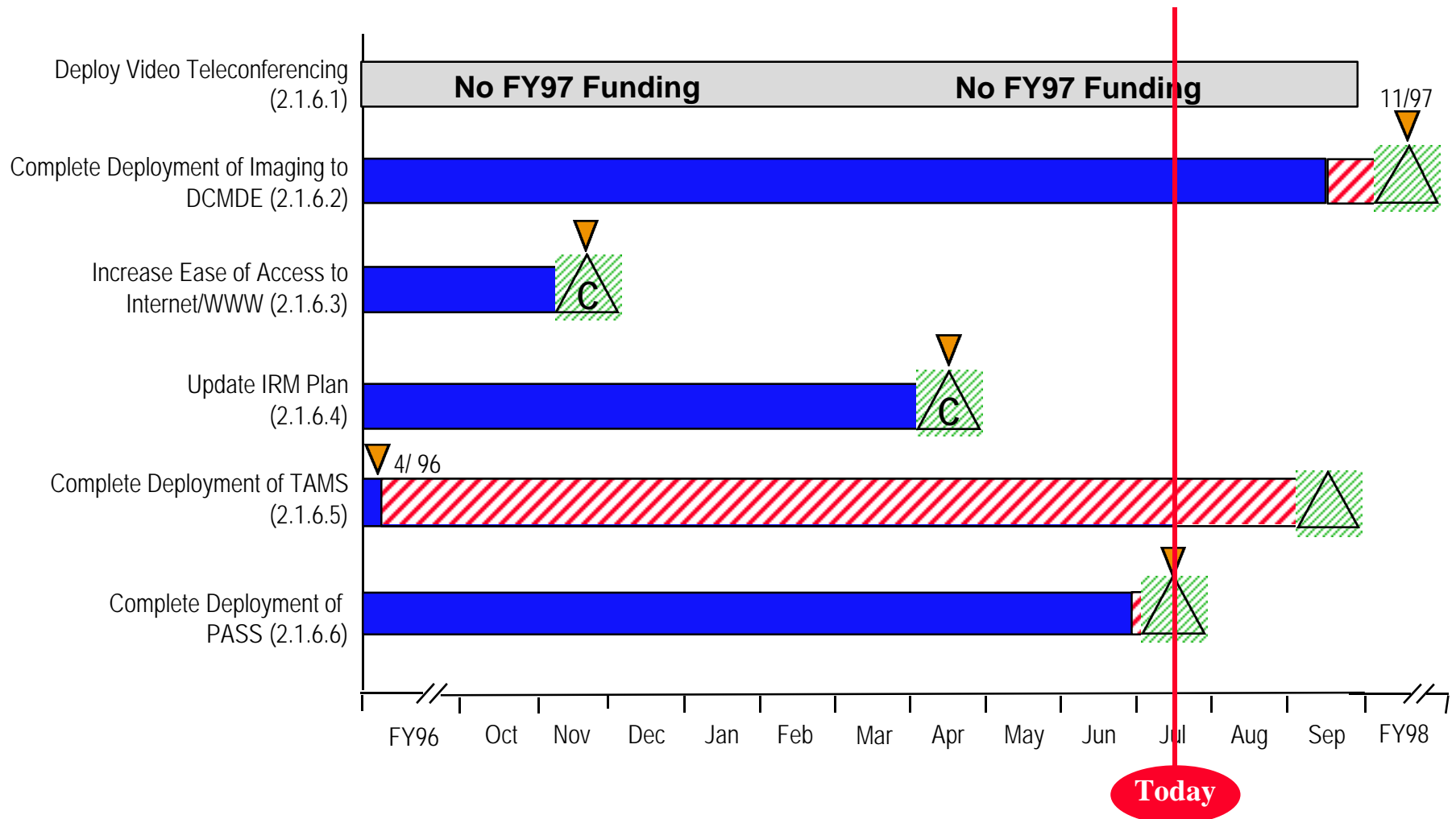
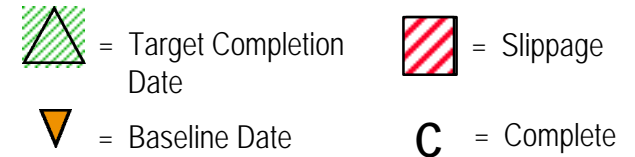
- | | | |
|------------|---|---------------|
| • 2.1.6.1 | Deployment video teleconference to field commanders | N/A |
| • 2.1.6.2 | Deployment of imaging capability to DCMDE | Yellow |
| • 2.1.6.3 | Increase access to Internet/World Wide Web | Complete |
| • 2.1.6.4 | Update IRM Plan | Complete |
| • 2.1.6.5 | Complete deployment of TAMS | Red |
| • 2.1.6.6 | Complete Deployment of PASS | Yellow |
| • 2.1.6.7 | Development/Deployment of ALERTS | Yellow |
| • 2.1.6.8 | Deployment of DADS | Complete |
| • 2.1.6.9 | Deployment of PCARSS | Red |
| • 2.1.6.10 | Support Decision Support Information System | Green |
| • 2.1.6.11 | Support SPS Dem/Val | Complete |
| • 2.1.6.12 | Deployment of EDI DD 250 | Red |



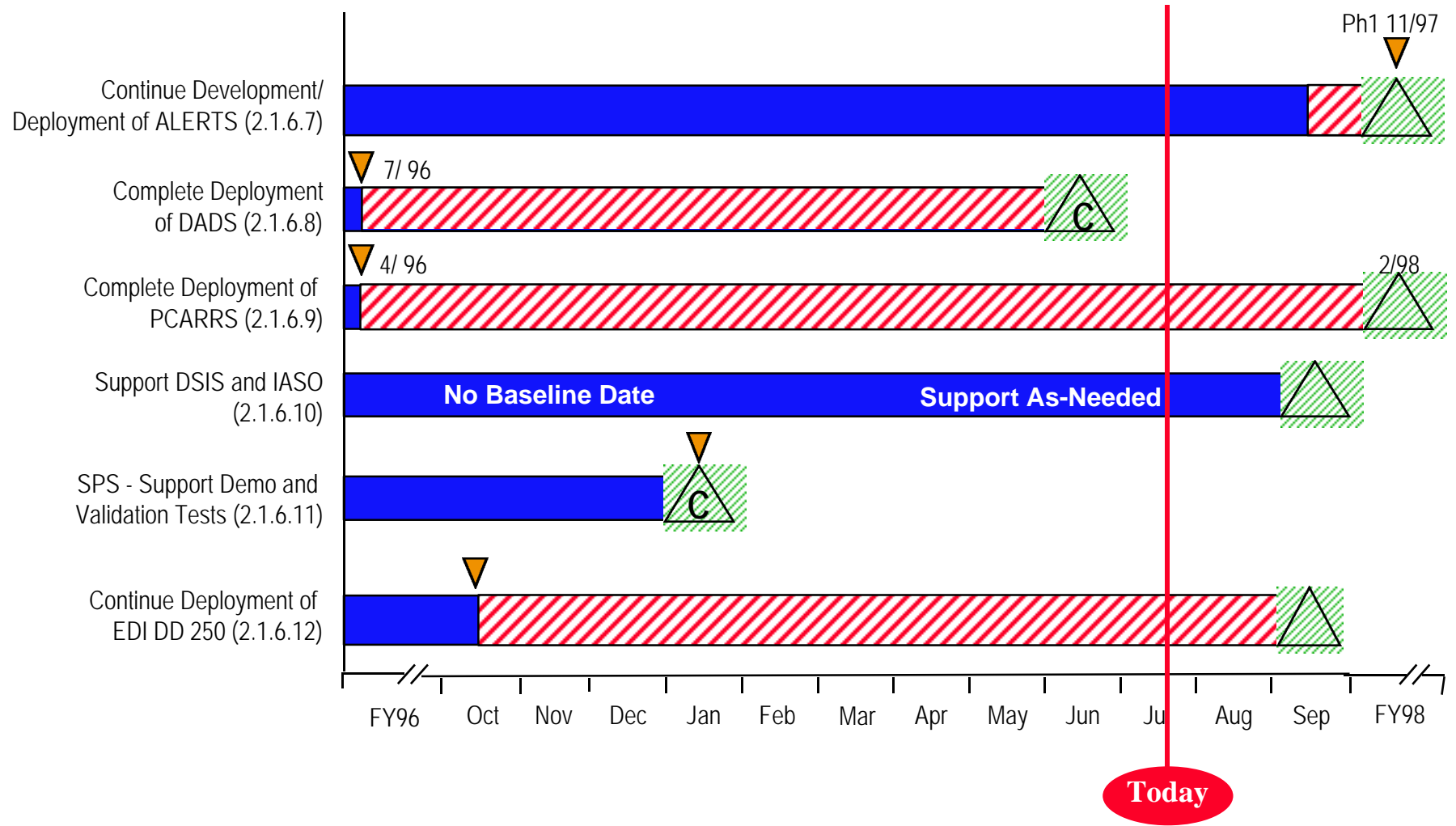
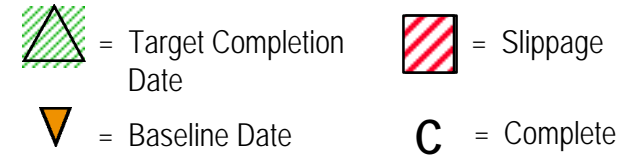
Performance Goal Initiatives

- | | | |
|-------------------|--|-------------------|
| • 2.1.6.13 | Complete Phase 1 Deployment of ACO Mods | Complete |
| • 2.1.6.14 | Complete ET of SPS/MOCAS GUI | Red |
| • 2.1.6.15 | Complete Increment 1-3 of Automated Metrics System | Green |
| • 2.1.6.16 | Complete Deployment of Closed Contract Database | Red |
| • 2.1.6.17 | Complete Deployment of Customs Redesign | Terminated |
| • 2.1.6.18 | Complete System Deployment of DCARRS/PLAS | Red |
| • 2.1.6.19 | Complete Prototype 2 & 3 FT of Price Work Bench | Terminated |
| • 2.1.6.20 | ID Method and Implement Process for AIS Training | Green |
| • 2.1.6.21 | Complete Deployment of CPRS | Terminated |
| • 2.1.6.22 | Complete Deployment of EDA | Yellow |
| • 2.1.6.23 | Complete ET/IOTC of OASYS | Green |

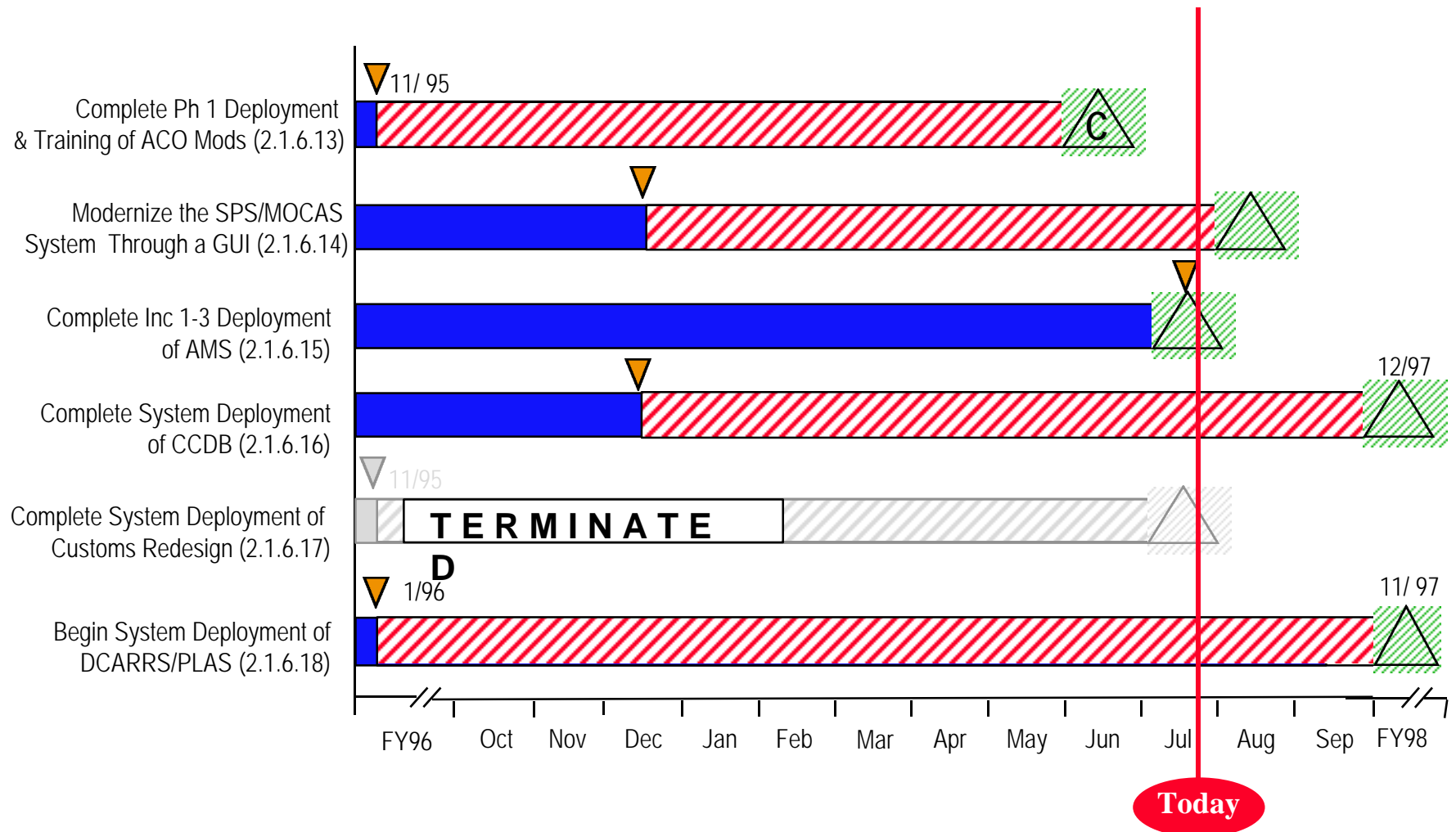
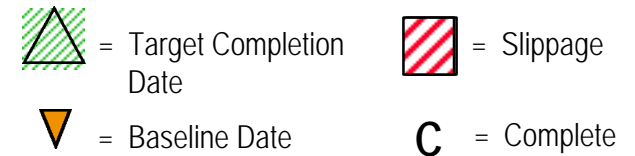
IT Initiatives



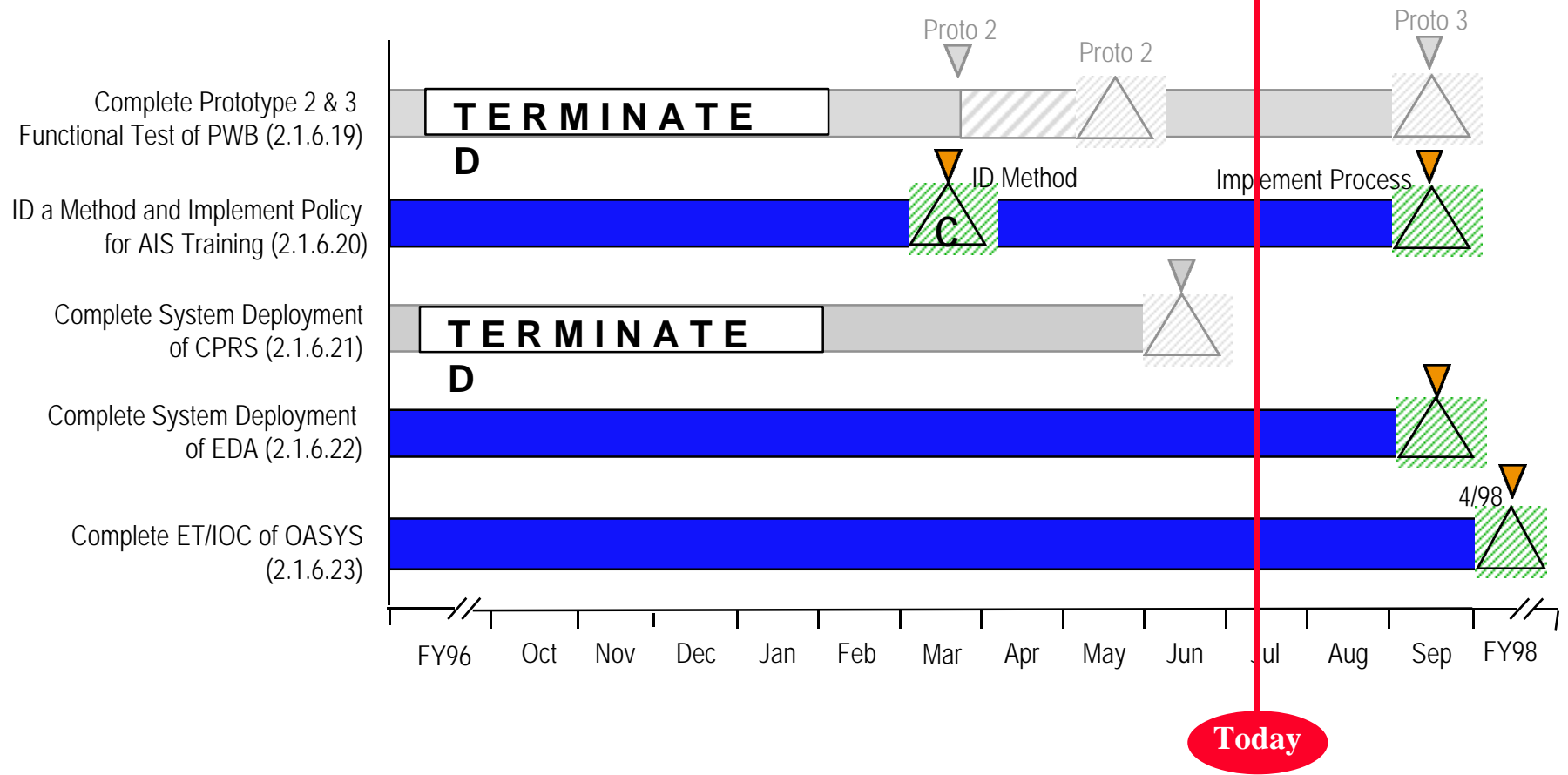
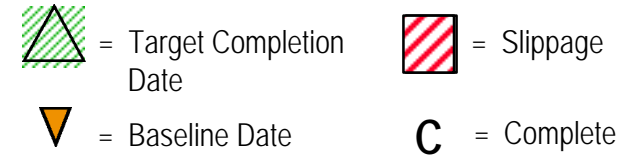
IT Initiatives



IT Initiatives



IT Initiatives



Imaging

YELLOW

Goal 2.1.6.2

Customer Supported: All DCMC

FUNCTIONAL POC: DCMDE

AQAC POC: Herman Louie

PROJECT DESCRIPTION:

Provides DCMC the ability to merge imaging with document workflow. This will enable DCMC to reduce the amount of paper documentation & provide work process accountability.

GOAL:

Right Time

Complete System Deployment of Imaging to DCMDE (only the original DCMDE sites).

STATUS REMARKS:

- **Hardware delivery delays--Comptrollers at FEDSIM and PAX River disagreed on money status; PAX River had Several Million shortfall with FEDSIM and froze FEDSIM account**
- **Contract awarded June though money available May**
- **DCMDE-DF/F Boston did not issue equipment requirements and sign SOW with FEDSIM until May 14,1997. Disagreement between F and DF shops on server set up and use**
- **Boston believes contractor personnel turnover did not provide stability to deploy. People leaving for other jobs, USI PM opening own business**
- **Target completion, 7 Nov 97**

BENEFIT:

- Time and effort saver - Eliminates need for multiple copies when concurrent/collateral processing is required
- Provides quick access to commonly used documentation
- Eliminates possibility of lost source documents

**FY 97
FUNDS:**

\$0

**COST TO
COMPLETE
(98-03):**

\$900K

**ANNUAL
ROI:**

\$3,146K

Termination Automated Management System (TAMS)

RED

Goal 2.1.6.5

Customer Supported: AQ & All DCMC

AQOE POC: Kevin Koch

AQAC POC: Lt Col Rob Weinhold

PROJECT DESCRIPTION:

Provide an automated method of tracking the steps in the process of terminating contracts for the convenience of the government. The redesign uses client/server GUI technology.

GOAL:

Right Efficiency

Complete the deployment and requisite training of the current version of TAMS (3.5).

BENEFIT:

- Provides tracking for over 100 critical steps in the Contract Termination Process
- Allows corporate visibility of statistical information
- Implements a user-friendly system

STATUS REMARKS:

- System Test Certified, 2 May 97
- **FT Certified, 13 Jun 97**
- ET, 4 - 22 Aug 97
- **Target Deployment, 30 Sep 97**

**FY 97
FUNDS:**

\$485K

**COST TO
COMPLETE
(98-03):**

\$462K

**ANNUAL
ROI:**

\$909K

PreAward Survey System (PASS)

YELLOW

Goal 2.1.6.6

Customer Supported: ACOs, Contractor Capability and Proposal Analysis Team (AQOD)

AQOD POC: Bill Lonstein
AQAC POC: Jim Rardon

PROJECT DESCRIPTION:

Provides buying activities ability to request pre-award survey electronically & DCMC the capability to create & store pre-award survey reports in a central location for buyers to use in contractor responsibility & contract award decisions.

GOAL:

Right Advice

Incorporate Past Performance History Module.

BENEFIT:

- Expedites the survey review process
- Allows timely decisions on contract award
- Permits better visibility to pre-award data

STATUS REMARKS:

- DCMDE Deployment complete
- DCMDW experiencing Deployment difficulties
- Target Deployment, Jul 97

**FY 97
FUNDS:**

\$350K

**COST TO
COMPLETE
(98-03):**

\$0

**ANNUAL
ROI:**

Mission critical to
Support
Customers

Alerts

YELLOW

Goal 2.1.6.7

Customer Supported: AQ, All DCMC & Buying Activities

AQOG POC: Wayne Easter

AQAC POC: Lt Col Brian Brodfuehrer

PROJECT DESCRIPTION:

Allows CAS Teams to notify each other & buying activities about schedule delays & allows the buying activity to identify critical needs.

GOAL:

Right Advice

Continue development and deployment of ALERTS (V 2.0) program and conduct DCMC-wide training (Phase 1).

BENEFIT:

- Updates and tracks critical delivery delays more precisely
- Strengthens communication between ACO & PCO
- Monitors contractor deliverables more accurately

STATUS REMARKS:

- Phase 1 ET Certified, Apr 97
- Phase 1 Target Deployment, Nov 97 (Slipped)
- Phase 2 in Requirements Development
- Phase 2 update to baseline, late August 97

**FY 97
FUNDS:**

\$4,192K

**COST TO
COMPLETE
(98-03):**

\$5,428K

**ANNUAL
ROI:**

Mission critical to
Support
Customers

Plant Clearance Automated Reutilization Screening System (PCARSS)

RED

Goal 2.1.6.9

Customer Supported: Payment, Closeout, and Property Team (AQOE)

AQOE POC: Marge Salazar
AQAC POC: Maxine James

PROJECT DESCRIPTION:

- Automates the Plant Clearance process. Integrates PCARSS with DADS.

GOAL:

Right Efficiency

- Complete deployment and requisite training.

BENEFIT:

- Eliminate paper intensive screening process for excess equipment.
- Provides maximum visibility of reusable assets.
- Reduces length of time for disposal of excess items.

STATUS REMARKS:

Revised Schedule:

- **Go Decision, Jun 10**
- **Systems Test, 29 Sep -17 Oct 97**
- **Functional Test, 27 Oct - 14 Nov 97**
- **Environmental Test, 12 - 30 Jan 98**
- **Deployment, 2 - 27 Feb 98**

FY 97 FUNDS:

678K (Budgeted)
237K (Expended)

COST TO COMPLETE (98-03):

POM Estimates \$1288K (98-03)
Current Estimate \$823K (98-03)
(FY98, \$100K Dev; \$122K Maint)
(FYs 99-03 \$122K Dev only)

ANNUAL ROI:

670K

DD250s

RED

Goal 2.1.6.12

Customer Supported: DCMC/DFAS

AQOG POC: John Childers

AQAC POC: Ron Kunihiro

PROJECT DESCRIPTION:

Integrate EC/EDI into the business processes.
Implement the following Executive mandates to use EC/EDI - 1990 DMRD 941 Eliminate Paper Forms, & President Clinton's 1993 Memo to exchange Procurement Information Electronically.

GOAL:

Right Efficiency

Based upon successful functional testing of the EDI DD250 system in 1996, begin deployment in 1997.

STATUS REMARKS:

- Continue Contractor Compliance Testing
- **Working with McDonnell Douglas, Northrop Grumman, Lockheed Martin, Raytheon, Boeing, GE, Hughes Aircraft, PRC, Sikorsky Aircraft, Texas Instruments, and Phoenix CAO**
- **Contractors having automation and transaction generation problems**
- **First operational site scheduled for Sep 97**

BENEFIT:

- DMRD 941 identified DD250 as a business form to convert to an electronic format
- Implements paperless process
- Eliminates manual data entry and tracking - Improve data integrity
- Improves business practices

**FY 97
FUNDS:**

\$100K

**COST TO
COMPLETE
(98-03):**

\$95K

**ANNUAL
ROI:**

In Support of
DMRD 941

SPS/MOCAS GUI

RED

Goal 2.1.6.14

Customer Supported: DCMC/DFAS

AQ POC: Capt Ted Case

AQAC POC: Joan Donahue

PROJECT DESCRIPTION:

Modernize the SPS/MOCAS system through the application of a GUI. This provides a standard Windows environment to interface with other applications without massive reprogramming.

GOAL:

Right Efficiency

Modernize the SPS/MOCAS front end system through the application of a GUI. Complete evaluation testing.

BENEFIT:

- Substantially reduces learning curve for new users
- Creates a standard Windows working environment

STATUS REMARKS:

- ET in E & W in July 97
- GUI deployment awaiting Tivoli application certification
- **Tivoli Deployment, 31 Jul 97**

**FY 97
FUNDS:**

500K

**COST TO
COMPLETE
(98-00):**

\$230K

**ANNUAL
ROI:**

SPS EA

Closed Contract Database

RED

Goal 2.1.6.16

Customer Supported: All DCMC

AQ POC: Capt Ted Case

AQAC POC: Dan Moriarty / Ron Kunihiro

PROJECT DESCRIPTION:

Provide the capability to write closed contract data to optical disk, allowing timely retrieval of data in support of litigation and to meet the needs of research into contract history relating to major weapons systems.

GOAL:

Right Time

Complete system deployment.

BENEFIT:

- Provides significant near on-line storage and query capability of contract data
- Ensures better and faster access to closed contract files
- Maintains credible audit trail
- Enhances capability to move contracts between MOCs
- Future migration to SDW

STATUS REMARKS:

- Completed CMM Level II training and peer review
- Target FT completion, Oct 97
- Target ET/IOC completion, Nov 97
- Target deployment, Dec 97

**FY 97
FUNDS:**

\$348K

**COST TO
COMPLETE
(98-00):**

\$159

**ANNUAL
ROI:**

SPS EA

Defense Contract Administration Reimbursable Reporting System (DCARRS)

Customer Supported: CAOs, ILO, NASA & DFAS

RED

Goal 2.1.6.18

AQBA POC: Alyce Sullivan

AQAC POC: Joan Donahue

PROJECT DESCRIPTION:

DCARRS automates data collection for billing non-DoD customers. Phase III will redesign DCARRS into a relational database mgt system to make it more effective & efficient. Reimbursable labor hours entered into PLAS will be electronically transferred to DCARRS.

GOAL:

Right Efficiency

Complete system deployment.

BENEFIT:

- Improves accuracy in billing, forecasting, payment status
- Automates non-DoD customer billing process
- Reduces disputes in billing, mishandling of data
- Eliminates processing of multiple input documents
- Improves customer satisfaction

STATUS REMARKS:

- Baseline date reflects new contractor's planned schedule with completion in FY 98
- FT Training, 24-30 Jul 97
- FT, 1-26 Aug 97
- ET, 22 Sep - 21 Nov 97 (Full Deployment)

**FY 97
FUNDS:**

\$445K

**COST TO
COMPLETE
(98-03):**

\$703K

**ANNUAL
ROI:**

\$1.2M

Contractor Performance Report (CPRS)

GREEN

Goal 2.1.6.21

Customer Supported: Contractor Capability and Proposal Analysis Team (AQOD)

AQOD POC: Bill Lonstein

AQAC POC: Jim Rardon

PROJECT DESCRIPTION:

Will provide ACOs the capability to create contractor performance reports in a standard format and store them in an Oracle database for use by DoD procurement personnel.

GOAL:

Right Advice

Complete system deployment

BENEFIT:

- System which supports Best Value Contracting
- Provides source of past performance for DoD
- Procurement
- is a standardized tool for procurement tracking

STATUS REMARKS:

- Initial deployment effort terminated.

**FY 97
FUNDS:**

\$160K

**COST TO
COMPLETE
(98-03):**

CIS Funding

**ANNUAL
ROI:**

\$311K

TERMINATED

Electronic Document Access (EDA)

YELLOW

Goal 2.1.6.22

Customer Supported: Contract Payment and Business Practices (AQOC)

AQOC POC: Bart Hogan

AQAC POC: Herman Louie

PROJECT DESCRIPTION:

Provides on-line (Internet) access to contracts & contract modifications displayed in human recognizable format (SF & DD forms).

GOAL:

Right Reception

Complete system deployment to select DCMC sites.

BENEFIT:

- Will provide contractor information to DFAS and the Services via the World Wide Web (WWW)
- Offer vital procurement information to more individuals throughout the globe

STATUS REMARKS:

- 56 DCMC sites scheduled for deployment between Apr and Sep 97
- Integration with ACO Mods ET added six weeks
- Delay in purchasing equipment--FEDSIM and Pax River conflict
- 30% of sites stood-up
- Expect to recover time with added Contractor personnel to meet 30 Sep Deployment date

**FY 97
FUNDS:**

**COST TO
COMPLETE
(98-03):**

**ANNUAL
ROI:**

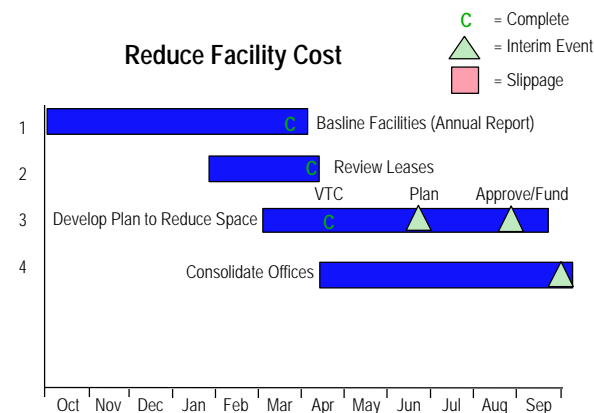
Cost and ROI Included with Imaging

3.1.1-Reduce Facility Costs

Target: To bring offices into compliance with the DLA average of 130 sq ft per person

Status: The Video Teleconference (VTC) was held on May 15, 1997 and all attendees agreed that the offices with 25 or more employees will be analyzed for compliance with the 130 sq ft rule. The rating is red until a plan is developed. Once developed, the rate will be green.

POC: Susan Shaver, AQBF, 767-2391



Offices out of Compliance with 25 or more Employees

Office	Quantity	Total Sq Ft
DCMDW	23	103,301
DCMDE	23	211,624

Possible Savings @ \$20 per sq. ft. = \$6,298,500



Performance Goal 3.1.1

Reduce Facility Cost

Status: Red

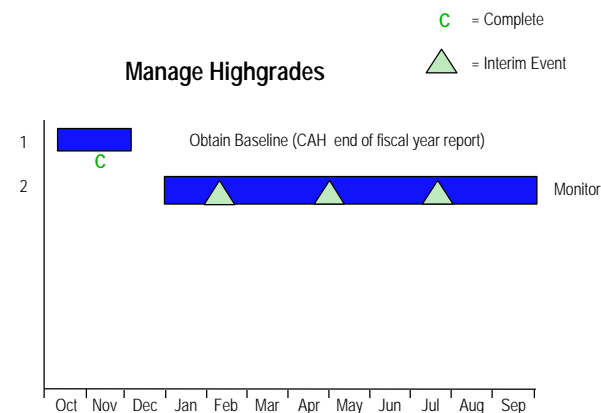
- Development of plan to reduce space continues...
- Enforcement of office compliance contingent upon approval/funding of facility moves.

3.1.2-Reduce the # of high grade positions.

Target: FY97: 520

Status: DBMS data was provided by CAH end of Mar. Currently, DCMC is at 515 high grades which is below FY97 and 13 positions above the FY98 target.

POC: Sharon Tillman, AQBF, (703) 767-2436.



PERFORMANCE GOAL 1.1.5 - HIGH GRADES

DCMC HIGH GRADES				
	14	15	SES	TOTAL
HQ DLA	54	23	4	81
DCMDE	184	25	0	209
DCMDW	140	22	0	162
DCMDI	35	5	0	40
OTHER	17	6	0	23
TOTAL	430	81	4	515

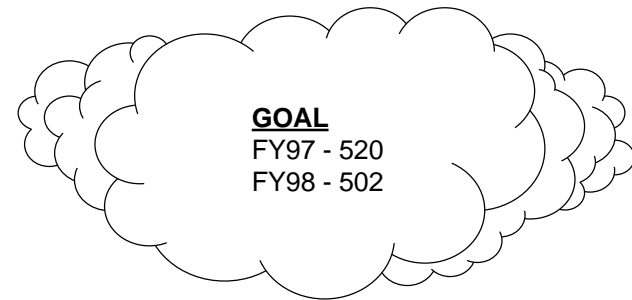
As of: Mar 97



As of: Mar 97
Source: HQ Data Base (DCMCPEOP.CDB File)

PERFORMANCE GOAL 1.1.5 - HIGH GRADES

	DCMC HIGH GRADES			
	<u>14</u>	<u>15</u>	<u>SES</u>	<u>TOTAL</u>
HQ DLA	54	23	4	81
DCMDE	184	25	0	209
DCMDW	140	22	0	162
DCMDI	35	5	0	40
OTHER	<u>17</u>	<u>6</u>	<u>0</u>	<u>23</u>
TOTAL	430	81	4	515
As of: Mar 97				



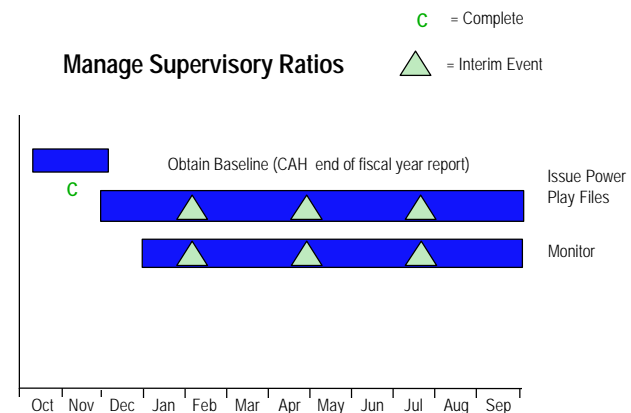
As of: Mar 97
Source: HQ Data Base (DCMCPEOP.CDB File)

3.1.3-Increase the civilian supervisory ratio to 13:1

Target: FY97 - 13 : 1

Status: DBMS Data was provided by CAH in March. Currently, DCMC supervisor ratio is at 12.24:1.

POC: Sharon Tillman, AQBA, (703) 767-2436



PERFORMANCE GOAL 1.1.4 - SUPERVISORY RATIO

EMPLOYEES TO SUPERVISOR RATIO			
	# Emp	# Supv	Ratio
HQ DLA	126	15	8.40
DCMDE	6,781	584	11.61
DCMDW	5,128	374	13.71
DCMDI	470	48	9.59
TOTAL	12,505	1,022	12.24

As of: Mar 97



As of: Mar 97
Source: HQ Data Base (DCMCPEOP.CDB File)



Performance Goal 1.1.4

Supervisory Ratio

Status: Green

- Districts develop a plan to reduce the number of supervisory positions in order to meet 1999 goal.
 - > DCMDE asked CAOs for a plan.
 - > DCMDW - Pending feedback.

PERFORMANCE GOAL 1.1.4 - SUPERVISORY RATIO

EMPLOYEES TO SUPERVISOR RATIO			
	<u># Empl</u>	<u># Supv</u>	<u>Ratio</u>
HQ DLA	126	15	8.40
DCMDE	6,781	584	11.61
DCMDW	5,128	374	13.71
DCMDI	<u>470</u>	<u>49</u>	<u>9.59</u>
TOTAL	12,505	1,022	12.24
As of: Mar 97			

GOAL

FY97 - 13:1
FY98 - 14:1
FY99 - 16:1

OPPORTUNITIES

- TAG Implementation
- Office Consolidations
- Military Billets

As of: Mar 97

Source: HQ Data Base (DCMCPEOP.CDB File)

Targets for Improvement

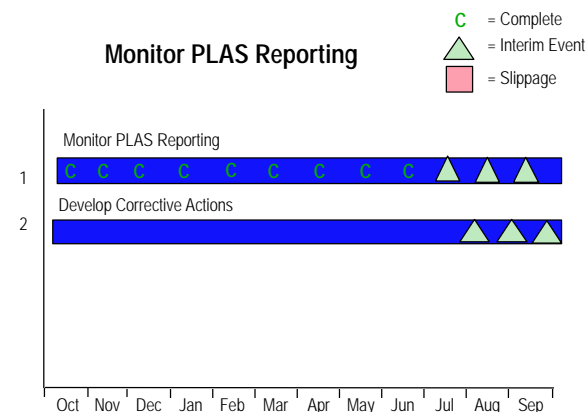
CAO	District	Supervisors	Employees	Ratio
Americas	I	8	41	5.13
Pacific	I	11	62	5.64
IA SO	E	7	45	6.43
Michoud-Stennis	E	11	81	7.36
GE Aircraft Evendale	E	11	83	7.55
Loral Vought Systems	W	5	38	7.60
GE Lynn	E	11	85	7.73
Northrop Grumman Bethpage	E	13	108	8.31
HQ DCMC	HQ	15	126	8.40
Lockheed Martin Defense Systems	E	9	76	8.44
Raytheon	E	18	152	8.44
Boeing Seattle	W	11	94	8.55
Loral Defense Systems East	E	7	62	8.86
New York	E	23	205	8.91
DCMDE Dist Staff	E	38	348	9.16
Lockheed Martin Astronautics	W	8	74	9.25
Lockheed Martin Marietta	E	8	77	9.63
Cleveland	E	29	286	9.86
Detroit	E	19	189	9.95
CCMO	E	4	40	10.00
Pemco Aeroplex	E	4	40	10.00
Southern Europe	I	10	102	10.20
McDonnell Douglas Aircraft Long Beach	W	8	82	10.25
Lockheed Martin Sunnyvale	W	8	83	10.38
Northrop Grumman Melbourne	E	6	63	10.50
UDLP (York)	E	4	42	10.50
Orlando	E	14	150	10.71
Hamilton Standard	E	4	43	10.75
General Dynamics Lima	E	5	54	10.80
Stratford	E	10	109	10.90
Pratt & Whitney E. Hartford	E	5	55	11.00
Lockheed Martin Ft Worth	W	9	99	11.00
Pittsburgh	E	10	112	11.20
DCMDW (Dist Staff)	W	29	326	11.24
Lockheed Martin Sanders	E	4	45	11.25
Bell Helicopter	W	5	57	11.40
E-Systems	W	4	46	11.50
Thiokol	W	8	92	11.50
Lockheed Martin Delaware Valley	E	11	129	11.73
Seattle	W	12	141	11.75
Indianapolis	E	17	201	11.82
Syracuse	E	16	192	12.00
Atlanta	E	21	257	12.24
Boeing Philadelphia	E	6	74	12.33
Lockheed Martin Orlando	E	6	74	12.33
Sikorsky	E	10	124	12.40
Philadelphia	E	25	311	12.44
Clearwater	E	9	112	12.44
DCMDI (Dist Staff)	I	9	114	12.67
Rockwell Canoga Park	W	6	76	12.67
Springfield	E	24	306	12.75

3.1.4.2-Implement Unit Cost Management

Target: Achieve and maintain a monthly PLAS usage rate of 95 percent.

Status: Monitor PLAS reporting and develop corrective actions to bring PLAS usage rate up to 95 percent.

POC: Susan Shaver, AQBF, 767-2391



PLAS Usage Under 95% (By Location)

DCMDW			
West HQ (HD)	60.7%	West HQ (HM)	71.1%
West HQ (HG)	64.1%	McDonnell Douglas HB	93.8%
West HQ (HH)	89.2%	Lockheed Martin/Sunnyvale	92.4%
West HQ (HJ)	60.6%	Phoenix	94.1%
DCMDE			
Pittsburgh	85.0%	Garden City	94.9%
Grand Rapids	64.8%	New York	94.6%
Reading	93.5%	Dayton	88.6%
East HQ (HD)	68.5%	East HQ (HF)	51.2%
East HQ (HJ)	81.4%	Grumman	86.2%
East HQ (HW)	34.9%	GE Lynn	92.6%
Raytheon	59.9%	Delaware Valley	6.5%
APMO	91.2%	Lockheed Marietta	77.9%
Grumman Melbourne	92.0%		
HEADQUARTERS	51.6%		

PLAS Data: May1997



Performance Goal 3.1.4

Unit Cost Management

Status: Yellow

- Monitor PLAS Reporting
- Achieve and maintain a monthly PLAS usage of 95% at the HQ, International, District, and CAO levels

PLAS Usage Under 95% (By Location)

DCMDW

West HQ (HD)	60.7%	West HQ (HM)	71.1%
West HQ (HG)	64.1%	McDonnell Douglas HB	93.8%
West HQ (HH)	89.2%	Lockheed Martin/Sunnyvale	92.4%
West HQ (HJ)	60.6%	Phoenix	94.1%

DCMDE

Pittsburgh	85.0%	Garden City	94.9%
Grand Rapids	64.8%	New York	94.6%
Reading	93.5%	Dayton	88.6%
East HQ (HD)	68.5%	East HQ (HF)	51.2%
East HQ (HJ)	81.4%	Grumman	86.2%
East HQ (HW)	34.9%	GE Lynn	92.6%
Raytheon	59.9%	Delaware Valley	6.5%
APMO	91.2%	Lockheed Marietta	77.9%
Grumman Melbourne	92.0%		

HEADQUARTERS 51.6%

PLAS Usage Under 95% (By Location)

INTERNATIONAL

Saudi Arabia	45.2%	International HQ (HM)	77.0%
Northern Europe (Germany, Spain, Italy)	75.5%	International HQ (HX)	72.5%
International HQ (HA)	24.6%	Americas Canada/Haiti	69.1%
International HQ (HC)	68.2%	Pacific-Korea	19.0%
International HQ (HD)	81.4%		



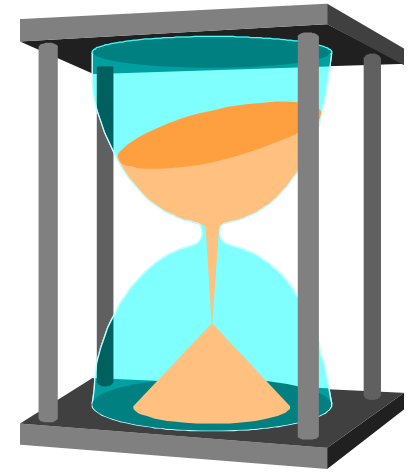
UNIT COST MANAGEMENT & ALTERNATIVE FINANCING UPDATE

Structuring the best solution

Presented at MMR

15 July 1997

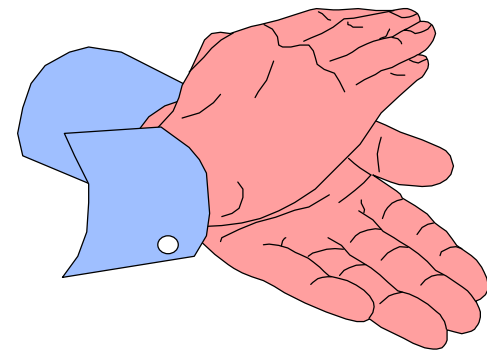
Agenda



- k Pre-Test Feedback from Commanders**
- k Reporting accuracy is vastly improving**
- k Breakdown of data by kind under analysis by team**
- k Functional review gearing up**

Status of the Pre-Test

- **11 pre-test sites trained and running PLAS version 8.1**
- **Minor connectivity/hardware problems being worked**
- **Commanders assessments generally good**



Status of the Pre-Test (cont)

- Some select comments:
 - “PLAS data indicates reporting requirements not a significant burden”
 - “difficult for people in a support role eg Pricing to identify “Kind” of contract. Arrangements being worked out to help identify
 - “requires additional 30-45 minutes to review” “Like anything new, this will become routine over time”
 - “We found that many contracts in MOCAS have wrong Kind Codes”
 - “Accuracy” (of KIND data) “of 80-90% is achievable”
 - “Technical personnel, eg QA and Engineers, cannot identify the contract numbers or Kind Codes at all. Spare parts may be on a Sys Acq contract”
 - “PLAS screen only allows 10 entries/day. When working on 20-30 contracts doing various tasks, there are not enough lines”

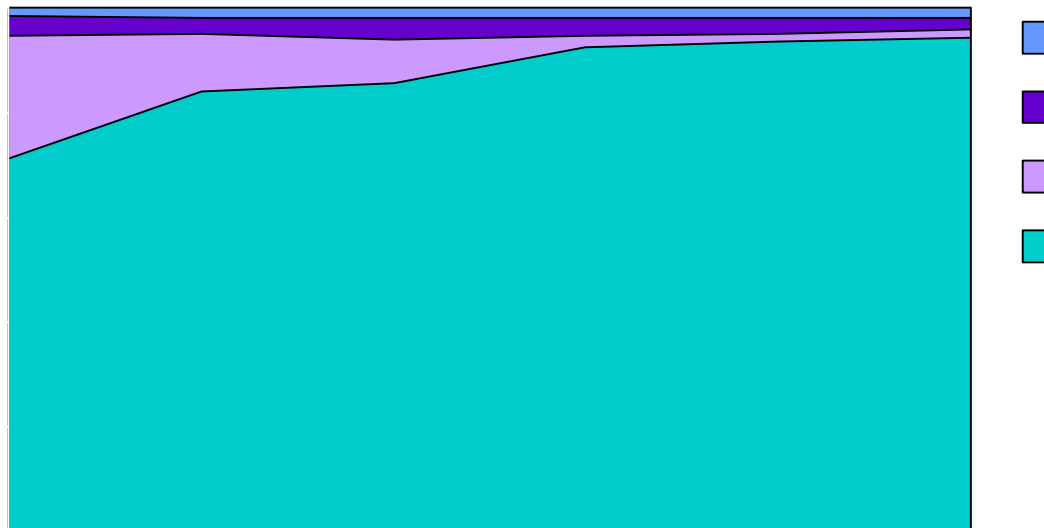
No Showstoppers

Status of the Pre-Test (cont)

- First two weeks were to work out system glitches and perform training. Detailed looks at data begin with June data.
- Goals of the test are to assess:
 - *if we can realistically report by contract kind*
 - *if data collected makes sense*
 - *if process profiles can be developed for each kind of contract*
 - *if it's reasonable to proceed with a Command-wide test in October*

Pre-Test Reporting Accuracy

- Vastly Improving

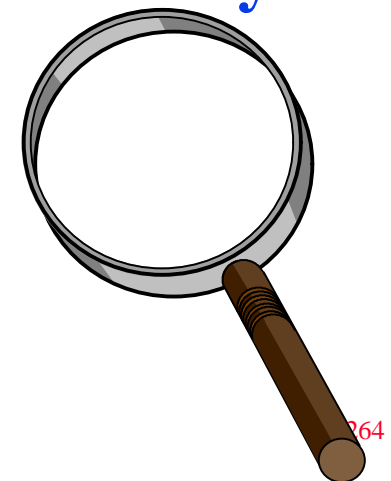


Data Analysis Ongoing

- **Team taking Powerplay Training this week**
- **Have assembled all June cost data into Powerplay “Cubes” for further analysis**
- **DORO working with us to quantify and test various output measures**
- **Data by kind seems to follow indicators like ULO, UDB, and Disbursements**
- **Leaning toward output “flow” measures**

Functional Review

- **Led by Sub-team from the Unit Cost Team**
- **Based largely on work done by the CAS PAT**
- **Plan to include inputs from Liaisons, trailer cards, BCAs, risk assessments, Commander's assessments, and QDR self assessment**
- **Have collected volumes of data - currently sifting through for best ideas**
- **May need/want to link to QDR targets**



5.2.1-Partnering with the Union

Target: Increase the percent of organizations with Partnership agreements.

Status: New metric to track Partnership Opportunities will be reevaluated by the DCMC Partnership PAT Team. Due to cancellation of the Partnership Council meeting, the PAT Team has not been established.

POC: Vicki Paskanik, AQBF, 767-2456

PARTNERSHIP OPPORTUNITIES

- October MMR Action was to develop a Metric to quantify Partnership Opportunities
- November VTC with District Reps established the mechanisms to track Partnership Opportunities
- December LMR training for Headquarters
- February MMR, briefed new Metric (Partnership Opportunity)
- March policy letter and additional training developed
- April develop objectives for DCMC Partnership PAT
- May Partnership Council Meeting cancelled

Performance Goal 5.2.1 - Partnering with the Union

5.2.1 - Partnering with the Union							
TOTAL DCMC							
	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Number of Existing Agreements:	54	54	56	60	62	61	62
Number of New Agreements:	0	0	4	2	1	0	0
Number of ULPs:	7	2	4	5	0	0	3
Number of Open ULPs:	5	4	7	10	7	6	8
Number of Grievances:	3	1	3	4	1	3	1
Number of Open Grievances:	2	1	3	5	4	3	4
Partnership Opportunities:	0	0	0	0	0	0	0
Number of Documents:	1	2	3	5	5	4	11
Union Response to Documents:	0	0	1	0	3	1	1
Number of Conferences:	0	0	1	0	1	2	0
Union Response to Conferences:	0	0	0	0	0	2	0
Number of Courtesy Copies:	23	36	5	1	10	6	8
Union Response to Courtesy Copies:	0	0	0	0	0	0	2
Number of Meetings:	6	5	2	8	1	8	0
Union Response to Meetings:	0	0	0	0	0	1	0
Other:	2	2	3	12	1	3	3
Union Response to Other:	0	0	0	0	0	0	1

Performance Goal 5.2.1 - Partnering with the Union

- STATUS: YELLOW**

- Although the metrics data indicates that we are green, this goal is rated yellow.**
- The current Organization / Structure of the Partnership Council does not support the volume of information DCMC provides to the Union.**
- AQB met with Union President to address potential solutions.**
- Proposed resolution:**
 - **Restructure DLA Council of AFGE Locals, more DCMC representation.**
 - **DLA / Union Officials will develop an alternative approach, to be discussed at next Partnership Council Meeting.**

Union Issues

- **Interns - Union letter, June 30, 1997, if DCMC goes forward, the Union will file a ULP.**
- **ACO/TCO - Union letter, June 30, 1997, the Union needs DCMC's proposed issuance - then they will submit their negotiation position.**
- **Civilian Personnel Demo Project - Union letter, May 14, 1997, expressing they do not support this project.**
- **Senior Functional Advisor (SFAs) - Position descriptions modified to address Union concerns - final copies being sent to Union.**
- **Performance Based Assessment Model - DCMC is in continuous dialogue with the Union to address Union concerns with this model.**
- **One Book - The One Book is in coordination with the Union.**

5.2.1 - Partnering with the Union								
TOTAL DCMC								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Number of Existing Agreements:	54	54	56	60	62	61	62	63
Number of New Agreements:	0	0	4	2	1	0	0	1
Number of ULPS:	7	2	4	5	0	0	3	4
Number of Open ULPS:	5	4	7	10	7	6	8	7
Number of Grievances:	3	1	3	4	1	3	1	1
Number of Open Grievances:	2	1	3	5	4	3	4	4
Partnership Opportunities:	0	0	0	0	0	0	0	0
Number of Documents:	1	2	3	5	5	4	11	6
Union Response to Documents:	0	0	1	0	3	1	1	4
Number of Conferences:	0	0	1	0	1	2	0	0
Union Response to Conferences:	0	0	0	0	0	2	0	0
Number of Courtesy Copies:	23	36	5	1	10	6	8	17
Union Response to Courtesy Copies:	0	0	0	0	0	0	2	0
Number of Meetings:	6	5	2	8	1	8	0	1
Union Response to Meetings:	0	0	0	0	0	1	0	0
Other:	2	2	3	12	1	3	3	7
Union Response to Other:	0	0	0	0	0	0	1	3

Special Topic

MANAGEMENT COUNCILS



HQ DCMC

Management Councils

- Things We Did -

- **Acquisition Reform Round Tables**
- **Policy/Info Letters**
- **VTC at 15 Sites - Tapes Sent to Other CAOs**
- **DCMC Cmdrs Conf Workshop**
- **HQ Taskings to Several CAO Cmdrs**
- **HQ Participation at Council Meetings**
- **HQ Visits to PEOs to Address Councils**
- **Management Council Section on Home Page**

Management Council Questionnaire

April 1997

- **79 CAOs Responded - 57 Have Active Councils**
- **46% Meet Monthly, 21% Quarterly, 16% as Needed, 12% Bi-Monthly, and 5% Weekly**
- **69% of CAOs Have Councils for Major Contractors - 30% for Non-Major Contractors**
- **All Sr Key Stakeholders Usually Represented**
- **Reasons Reps Miss Meetings - Shortage of TDY Funds/Schedule Conflicts**

Policy/Information Memos

Apr-Jun 97 Quarter

- **Established Management Council Quarter**
- **Review of Ktr Operations - Seek Council Input**
- **Councils Role in Parametric Pricing - Example**
- **Use of Councils for Value Engr**
- **Meeting Your Agenda - Seek Customer Supt**
- **Councils Role in Implementing EVMS (Draft)**
- **Use Councils to Resolve Metr/Perf Prob (Draft)**

HQ Participation

Management Council Meetings

- **Northrop Grumman Baltimore**
- **Motorola**
- **Lockheed Martin Ft. Worth**
- **Bell Helicopter Textron**
- **Sikorsky**
- **Raytheon**
- **McDonnell Douglas St. Louis**
- **Lockheed Martin Pittsfield**

DCMIDE

MANAGEMENT COUNCILS

- What has worked:
 - Senior Level Participation
 - Communication
 - Sharing Ideas / Information / Lessons Learned
 - Resolving Problems / Issues
- What has not worked:
 - Component Team Leaders: Identification, Attendance, Responses, Budget Restraints
 - Consideration
 - Law / Regulation Guidance
 - Prime / Subcontractor Information

MANAGEMENT COUNCILS (cont)

- Recommendations for Improvement:
 - Guidance for:
 - Broadening Scope of Agenda Topics
 - Sharing Best Practices
 - Frequency of meetings / Attendees
 - Enabling Concept
- Near Term Expansion Ideas:
 - Corporate Level Involvement
 - Management Council Application to other Committees/Teams

MANAGEMENT COUNCILS (cont)

SPI MARKETING

- **Targeting District East TOP 200**
 - Selected from Top ULO extract from MOCAS
 - Sorted by Geographic CAO
- **Targeting District East Small Business**
 - Developed list of Contractors >\$500K
 - Sorted by Geographic CAO

DCMDW

DCMDW SINGLE PROCESS INITIATIVE



MANAGEMENT COUNCILS

July 1, 1997



WHATS WORKING

- CAO Proactive Involvement
- Senior Mgmt Representation on MC's
- Face-to-Face MC Meetings
- SPI Information on Internet



WHAT'S WORKING cont.

- Working Level Group (IPT) to Support the MC
- Rotation of Meeting Sites
- Regularly Established MC Meetings



WHAT'S WORKING cont.

- Well defined Mgmt Council Charter
- Advance Agendas for Mgmt Council Meetings
- Facilitated Meetings
- Gov't only Pre-briefings



WHAT'S NOT WORKING

- Cost Benefit Analysis Difficult to Calculate
- Feedback from NASA Customer
 - Problem w/coordination
 - (ex: DCMC LM Sunnyvale, DCMC Hughes LA and TRW -DCMC Van Nuys)



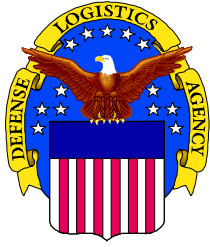
WHATS NOT WORKING cont.

- Small KTR's Reluctant to Participate in SPI
- VTC Mgmt Council Meetings
- Identifying Component Team Leads
- Multiple Representatives at MC's



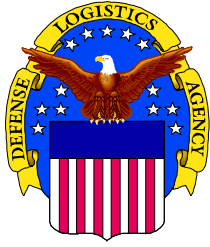
RECOMMENDATIONS FOR IMPROVEMENT

- Use Universal Agendas, no DCMC only agendas
- Measurement of MC value added as a future metric
- Quarterly VTC w/CAOs
- Post CTLs on DCMC Home page
- Automate submission of CPs



RECOMMENDATIONS FOR EXPANSION

- Present process improvement ideas/projects
- Utilize symposiums where members can meet and exchange ideas w/others
- Increase participation by major Program Managers.



OBSERVATIONS

- Corporate Councils Have Real Merit
 - Work Broad Issues
 - Boeing and McDonnell Douglas
- Successful Councils
 - Well Defined Processes
 - Sub-working Groups



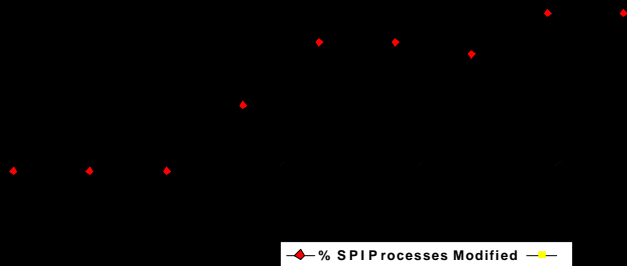
OBSERVATIONS con't

- CAOs Need and Seek Assistance
 - Marketing Plans
 - Symposiums

DCMDI



Special Topic



As of June DCMDI has 17 Councils established of 36 planned (47%).













ACTION ITEMS

AQ

MONTHLY MANAGEMENT REVIEW

ACTION ITEMS

AQ MONTHLY MANAGEMENT REVIEW

JULY 15, 1997

(Note: Action Items 1, 4, 5 and 6 will be closed after briefing at MMR.)

1. OPEN.

**2. CLOSED. CUSTOMER PRIORITY LIST
COVERAGE**

3. CLOSED. CUSTOMER VISITS

4. OPEN. SOFTWARE METRICS -

5. OPEN. ENGINEERING CHANGE PROPOSALS

6. OPEN. UNRECONCILABLE CONTRACTS

7. OPEN. IRM

8. CLOSED. PERCENTAGE OF SOFTWARE RECOMMENDATIONS ADOPTED

9. CLOSED. UCAs